STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☑

APPLICATION FOR PERMIT TO DRILL	
2. TYPE OF WORK DRILL NEW WELL ◉ REENTER P&A WELL ○ DEEPEN WELL ○	**3. FIELD OR WILDCAT** NATURAL BUTTES
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO	**5. UNIT or COMMUNITIZATION AGREEMENT NAME** NATURAL BUTTES
6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P.	**7. OPERATOR PHONE** 720 929-6587
8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217	**9. OPERATOR E-MAIL** mary.mondragon@anadarko.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML 22649 — **11. MINERAL OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ◉ FEE ○	**12. SURFACE OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ◉ FEE ○
13. NAME OF SURFACE OWNER (if box 12 = 'fee')	**14. SURFACE OWNER PHONE (if box 12 = 'fee')**
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')	**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') — **18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS** YES ○ (Submit Commingling Application) NO ◉	**19. SLANT** VERTICAL ◉ DIRECTIONAL ○ HORIZONTAL ○

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2111 FNL 1824 FWL	SENW	32	9.0 S	22.0 E	S
Top of Uppermost Producing Zone	2111 FNL 1824 FWL	SENW	32	9.0 S	22.0 E	S
At Total Depth	2111 FNL 1824 FWL	SENW	32	9.0 S	22.0 E	S

21. COUNTY UINTAH	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 1824	**23. NUMBER OF ACRES IN DRILLING UNIT** 203
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 606	**26. PROPOSED DEPTH** MD: 9200 TVD: 9200
27. ELEVATION - GROUND LEVEL 5003	**28. BOND NUMBER** 22013542	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** Permit #43-8496

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORCANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

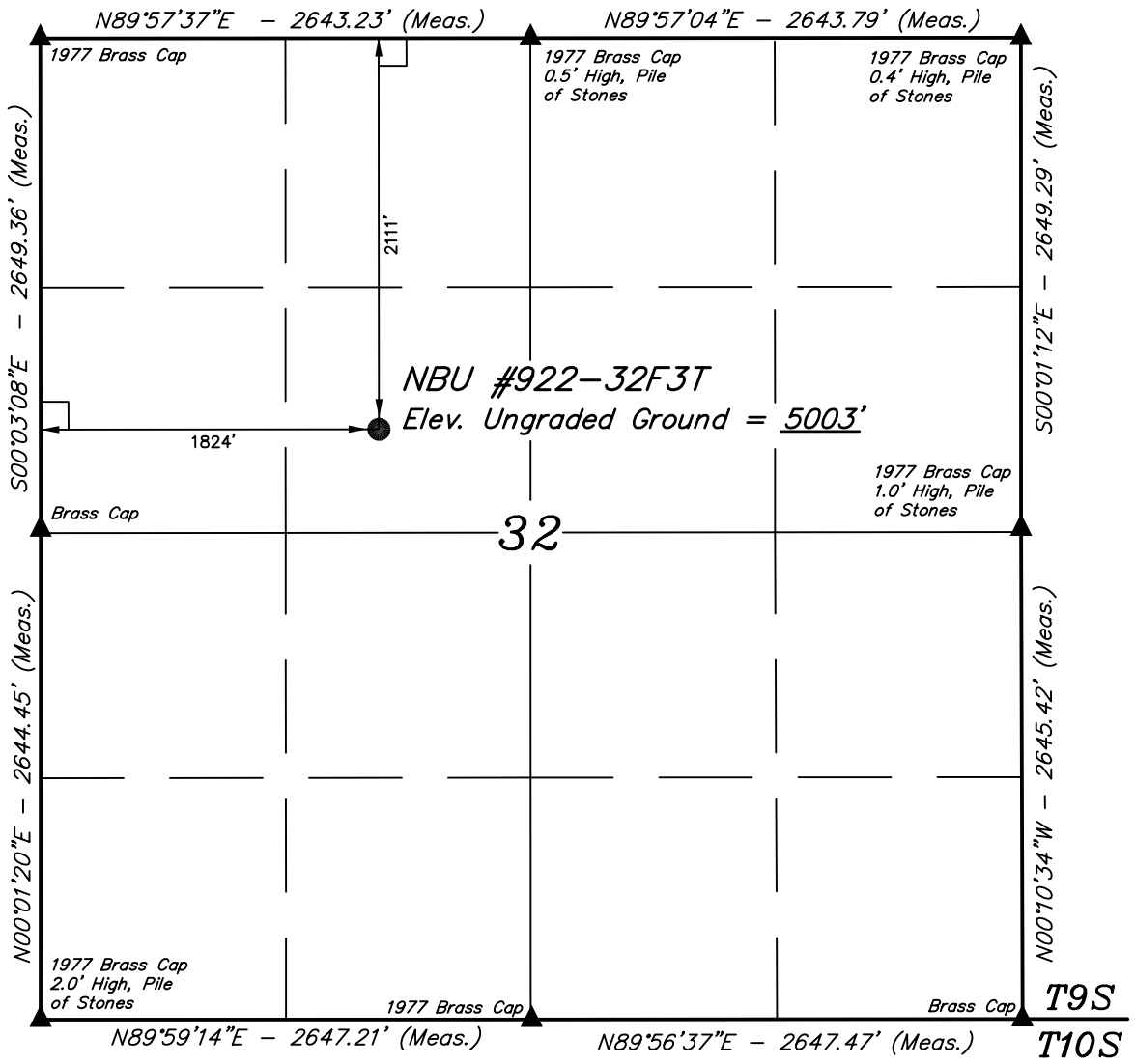
☑ **WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER**	☑ **COMPLETE DRILLING PLAN**
☐ **AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)**	☐ **FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER**
☐ **DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)**	☑ **TOPOGRAPHICAL MAP**

NAME Kathy Schneebeck-Dulnoan	**TITLE** Staff Regulatory Analyst	**PHONE** 720 929-6007
SIGNATURE	**DATE** 04/30/2009	**EMAIL** Kathy.SchneebeckDulnoan@anadarko.com
API NUMBER ASSIGNED 43047503490000	**APPROVAL**	Permit Manager

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Prod	7.875	4.5	0	9289		
Pipe	**Grade**	**Length**	**Weight**			
	Grade I-80 LT&C	9200	11.6			

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Surf	12.25	9.625	0	2300		
Pipe	**Grade**	**Length**	**Weight**			
	Grade J-55 LT&C	2300	36.0			

T9S, R22E, S.L.B.&M.

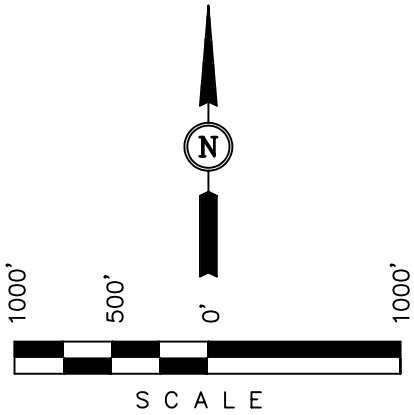


Kerr–McGee Oil & Gas Onshore LP

Well location, NBU #922–32F3T, located as shown in the SE 1/4 NW 1/4 of Section 32, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 02–26–09 C.C.
REVISED: 09–24–08

(NAD 83)
LATITUDE = 39°59'38.36" (39.993989)
LONGITUDE = 109°28'00.39" (109.466775)
(NAD 27)
LATITUDE = 39°59'38.48" (39.994022)
LONGITUDE = 109°27'57.92" (109.466089)

LEGEND:

= 90° SYMBOL
= PROPOSED WELL HEAD.
= SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789–1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	05–27–08	06–06–08
PARTY: L.K. D.D. S.L.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: Kerr–McGee Oil & Gas Onshore LP	

'APIWellNo:43047503490000'

NBU 922-32F3T

Pad: NBU 922-32F (CIGE 106D)
Surface: 2,111’ FNL, 1,824’ FWL (SE/4NW/4)
Sec. 32 T9S R22E

Uintah, Utah
Mineral Lease: ML 22649

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. – 2. Estimated Tops of Important Geologic Markers:
Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Formation	Depth	Resource
Uinta	0 – Surface	
Green River	1,294’	
Birds Nest	1,621’	Water
Mahogany	2,093’	Water
Wasatch	4,519’	Gas
Mesaverde	7,072’	Gas
MVU2	7,992’	Gas
MVL1	8,588’	Gas
TD	9,200’	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 9,200' TD, approximately equals 5,875 psi (calculated at 0.64 psi/foot).

Maximum anticipated surface pressure equals approximately 3,851 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. Variances:

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background
In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements
The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements
Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements
Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Conclusion
The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

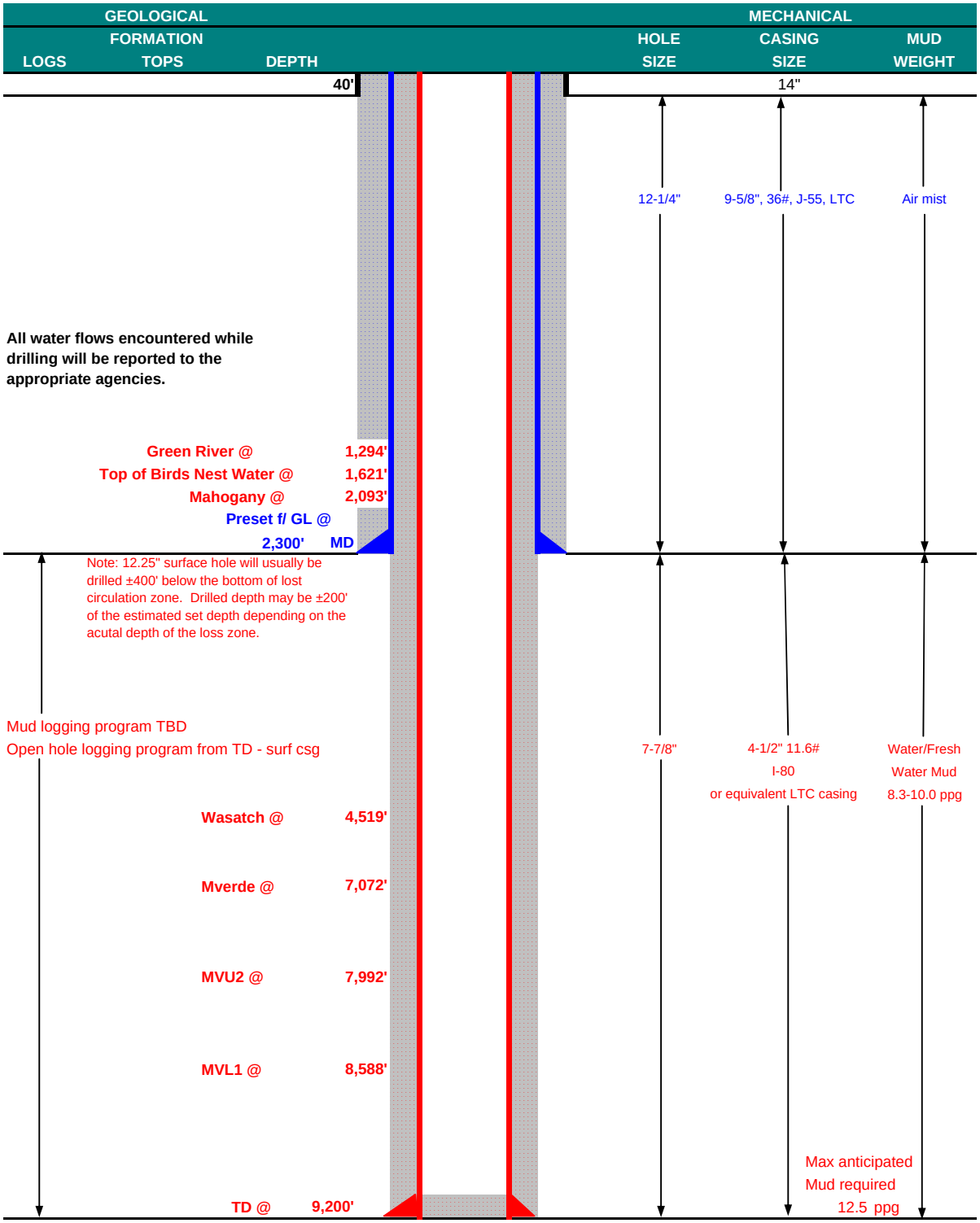
Please refer to the attached Drilling Program.

’APIWellNo:43047503490000’

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	April 5, 2009	
WELL NAME	**NBU 922-32F3T**		TD	9,200' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	ELEVATION	5,003' GL KB 5,018'
SURFACE LOCATION	SE/4 NW/4 2,111' FNL 1,824' FWL	Sec 32 T 9S R 22E		BHL	Straight Hole
	Latitude: 39.994022	Longitude: -109.466089	NAD 27		
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: SITLA (Minerals), UDOGM (Surface), Tri-County Health Dept.				



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KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								3,520	2,020	453,000
SURFACE	9-5/8"	0	to	2300	36.00	J-55	LTC	0.89	1.88	6.96
								7,780	6,350	201,000
PRODUCTION	4-1/2"	0	to	9200	11.60	I-80	LTC	1.97	1.06	2.16

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)
(Burst Assumptions: TD = 12.5 ppg) 0.22 psi/ft = gradient for partially evac wellbore
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MASP 3,851 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD
(Burst Assumptions: TD = 12.5 ppg) 0.64 psi/ft = bottomhole gradient
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MABHP 5,875 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ .25 pps flocele				
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt	50		15.60	1.18
			+ 2% CaCl + .25 pps flocele				
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		**NOTE: If well will circulate water to surface, option 2 will be utilized**					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	170	35%	11.00	3.82
			+.25 pps Flocele + 3% salt BWOC				
	TAIL	500	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ .25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,010'	Premium Lite II + 3% KCl + 0.25 pps	440	60%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	5,190'	50/50 Poz/G + 10% salt + 2% gel	1450	60%	14.30	1.31
			+.1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained
*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

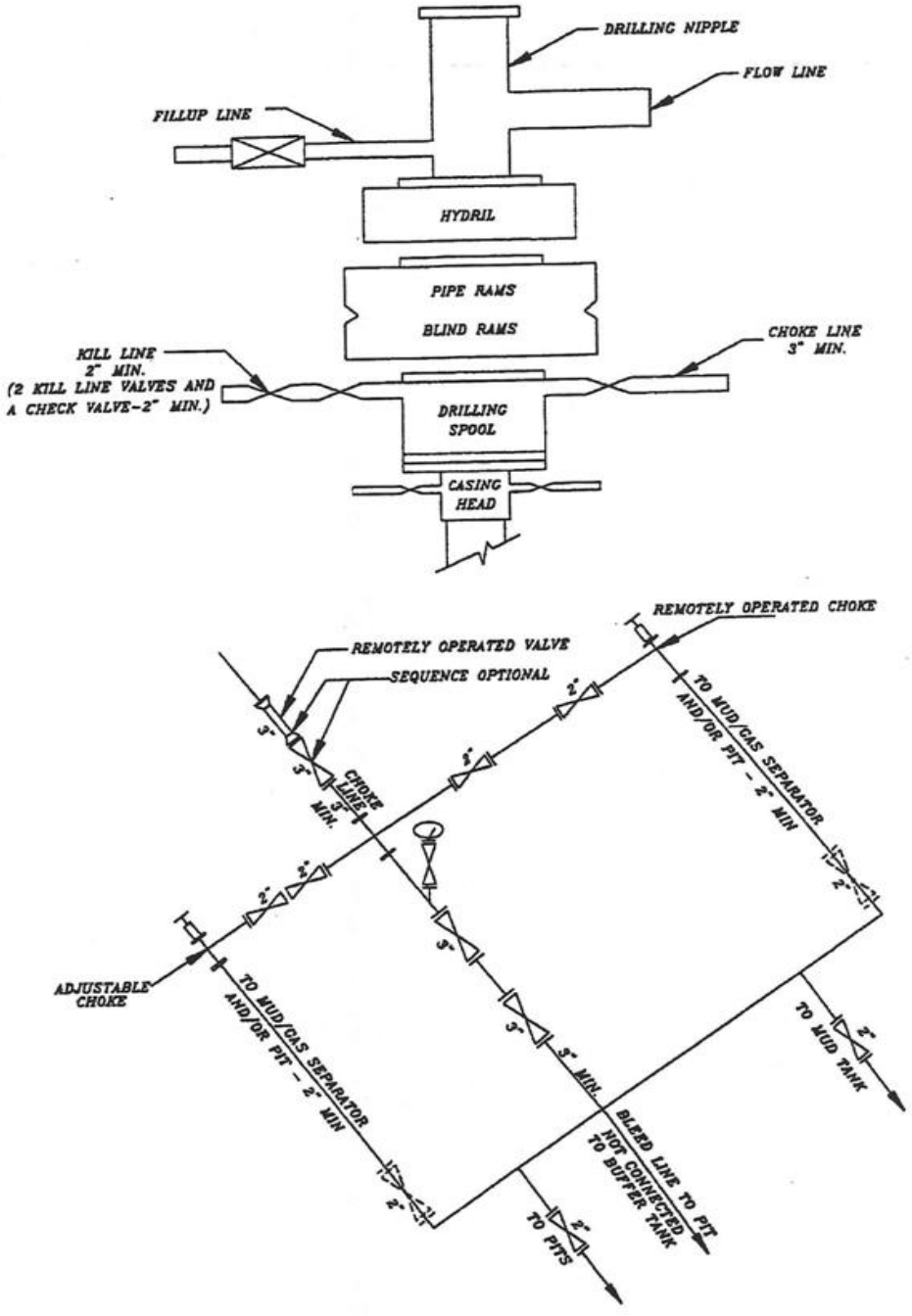
Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utililzed.

DRILLING ENGINEER: _____ **DATE:** _____
John Huycke / Grant Schluender

DRILLING SUPERINTENDENT: _____ **DATE:** _____
John Merkel / Lovel Young

EXHIBIT A
NBU 922-32F3T



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

'APIWellNo:43047503490000'

Kerr-McGee Oil & Gas Onshore LP

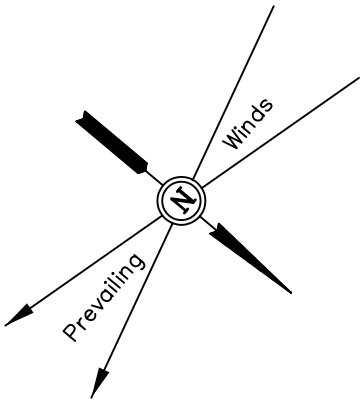
FIGURE #1

LOCATION LAYOUT FOR

NBU #922-32E2S, #922-32K1S, #922-32F3T & #922-32F2S

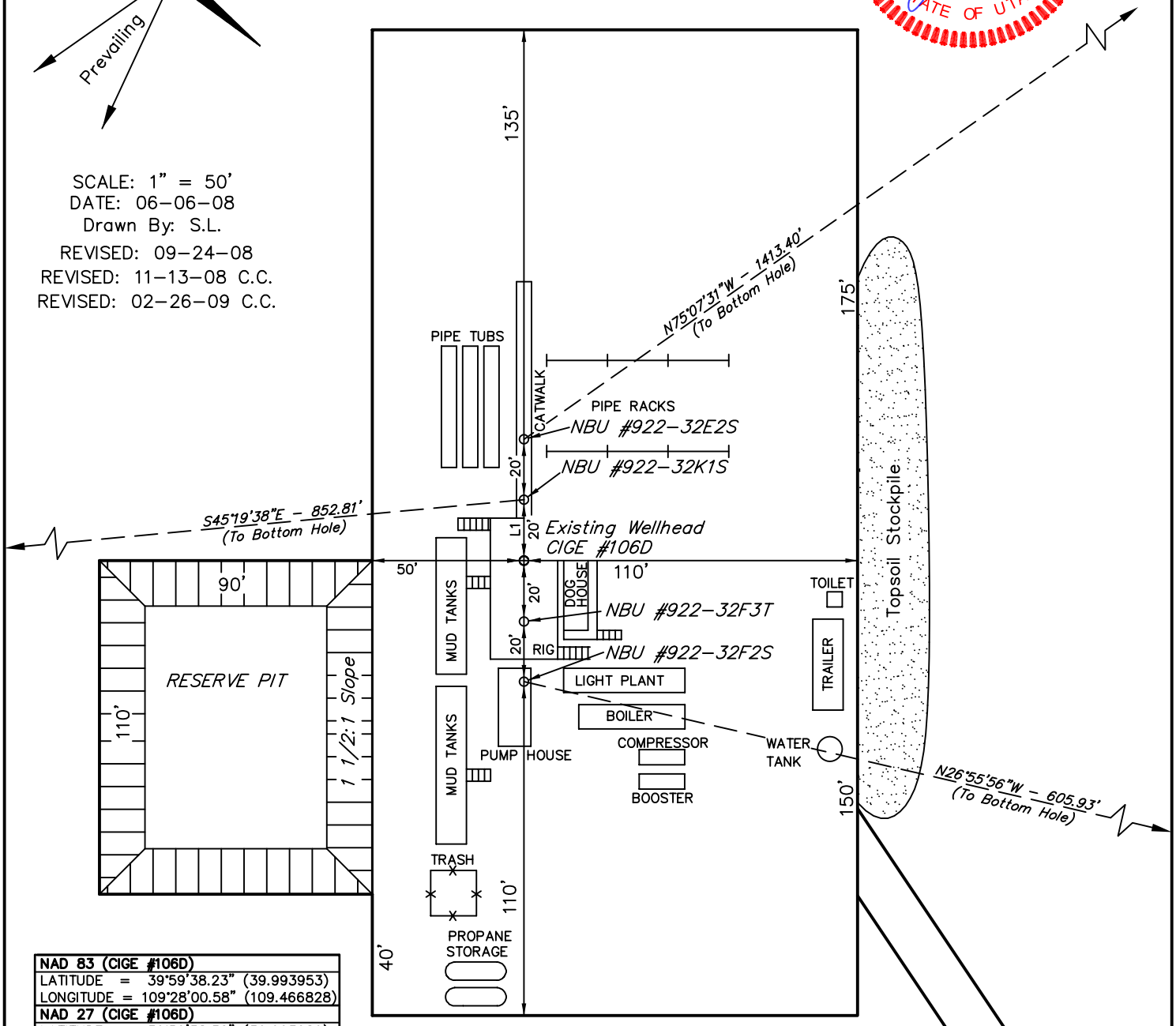
SECTION 32, T9S, R22E, S.L.B.&M.

SE 1/4 NW 1/4



REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

SCALE: 1" = 50'
DATE: 06-06-08
Drawn By: S.L.
REVISED: 09-24-08
REVISED: 11-13-08 C.C.
REVISED: 02-26-09 C.C.



NAD 83 (CIGE #106D)
LATITUDE = 39°59'38.23" (39.993953)
LONGITUDE = 109°28'00.58" (109.466828)
NAD 27 (CIGE #106D)
LATITUDE = 39°59'38.36" (39.993989)
LONGITUDE = 109°27'58.11" (109.466142)

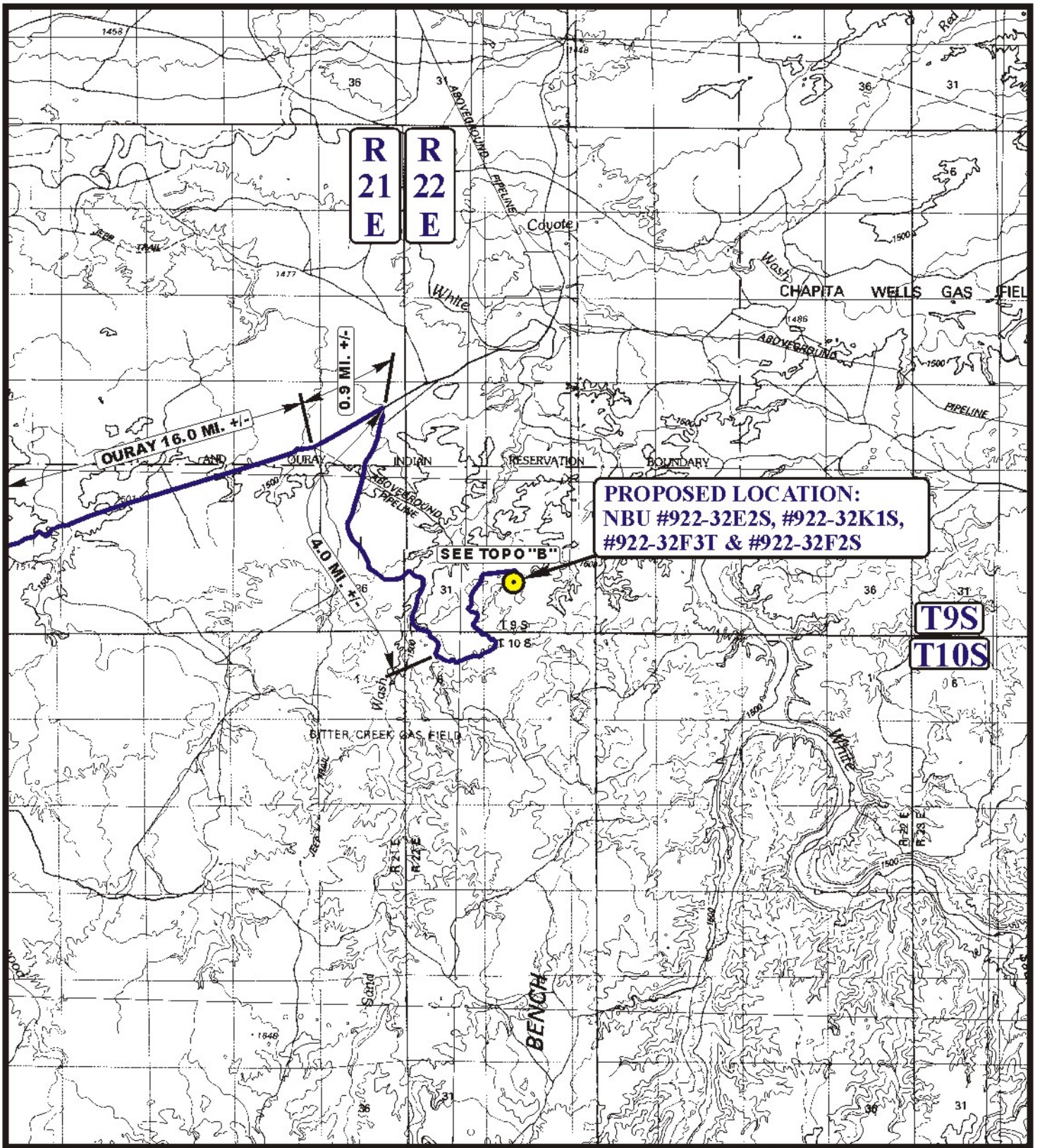
LINE TABLE		
LINE	AZIMUTH	LENGTH
L1	230°12'06"	20.08'

NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 5002.7'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

’APIWellNo:43047503490000’



LEGEND:

PROPOSED LOCATION

N

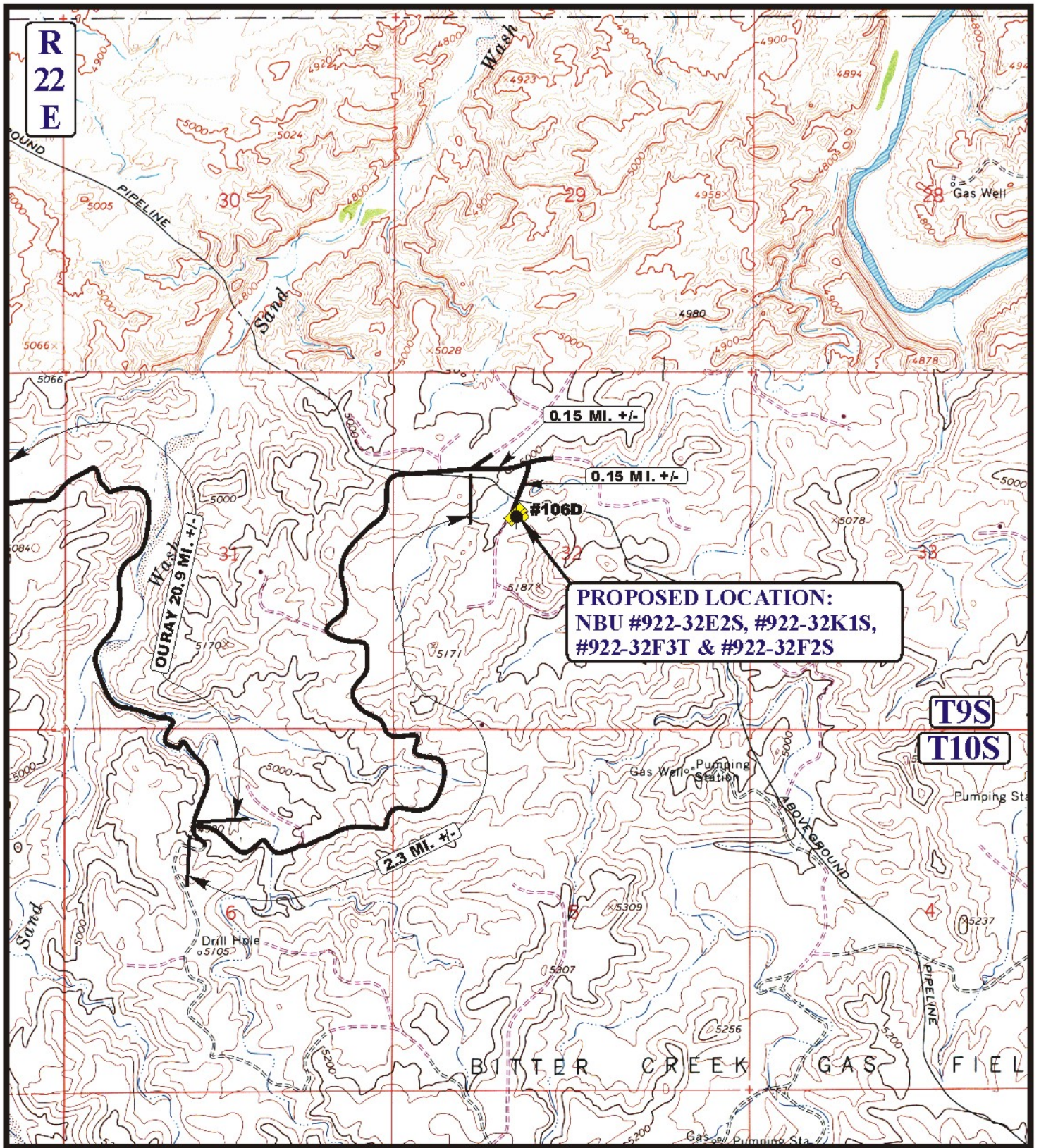
Kerr-McGee Oil & Gas Onshore LP

NBU #922-32E2S, #922-32K1S, #922-32F3T & #922-32F2S
SECTION 32, T9S, R22E, S.L.B.&M.
SE 1/4 NW 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	13 DAY	08 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: S.L.	REV: 03-12-09 C.C.		

’APIWellNo:43047503490000’



LEGEND:

EXISTING ROAD

N

Kerr-McGee Oil & Gas Onshore LP

NBU #922-32E2S, #922-32K1S, #922-32F3T & #922-32F2S
SECTION 32, T9S, R22E, S.L.B.&M.
SE 1/4 NW 1/4

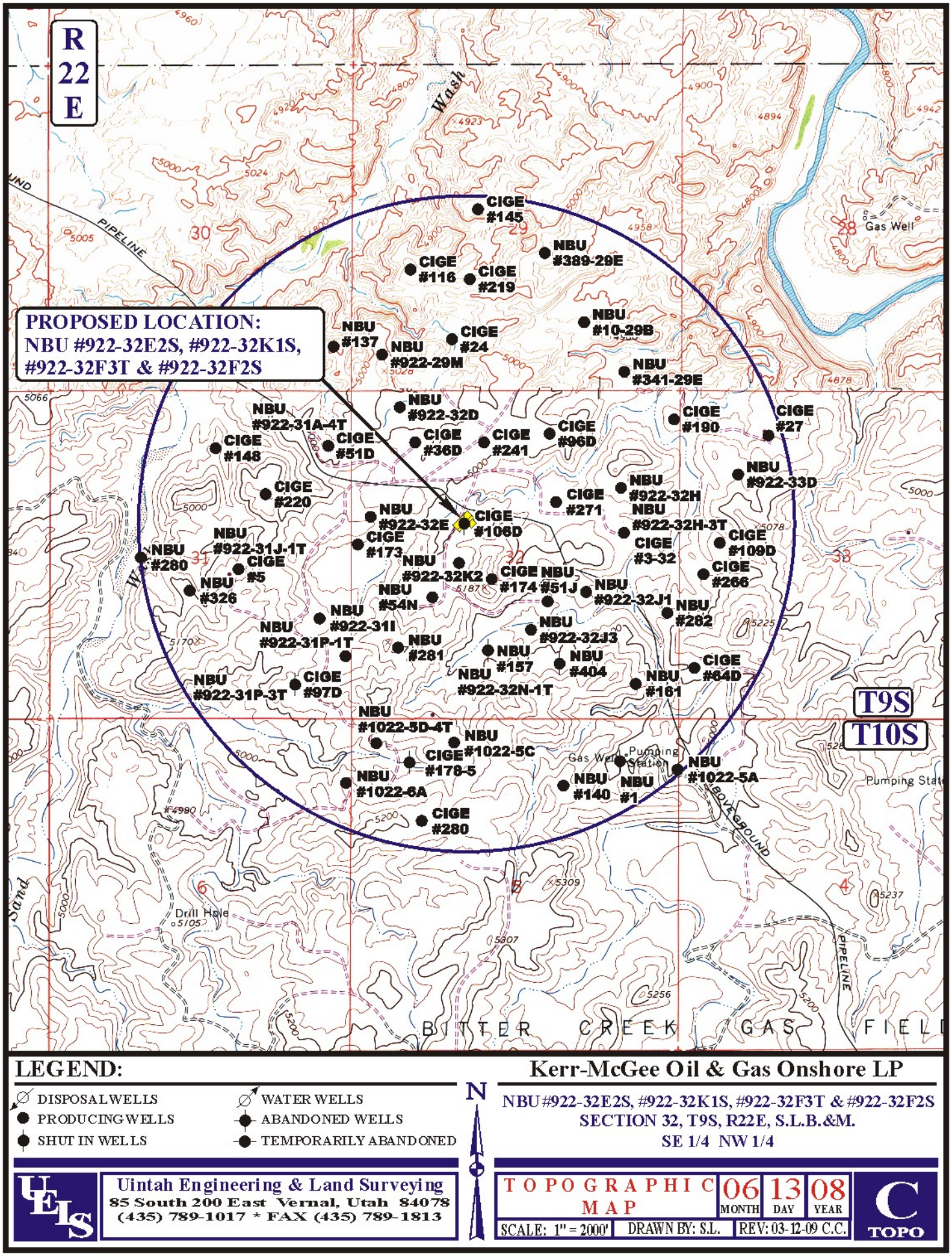
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 06 MONTH | 13 DAY | 08 YEAR

SCALE: 1" = 2000' | DRAWN BY: S.L. | REV: 03-12-09 C.C.

B TOPO

’APIWellNo:43047503490000’



LEGEND:

- DISPOSAL WELLS
- WATER WELLS
- PRODUCING WELLS
- ABANDONED WELLS
- SHUT IN WELLS
- TEMPORARILY ABANDONED

N

Kerr-McGee Oil & Gas Onshore LP

NBU #922-32E2S, #922-32K1S, #922-32F3T & #922-32F2S
SECTION 32, T9S, R22E, S.L.B.&M.
SE 1/4 NW 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 06 MONTH | 13 DAY | 08 YEAR

SCALE: 1" = 2000' | DRAWN BY: S.L. | REV: 03-12-09 C.C.

C TOPO

Kerr-McGee Oil & Gas Onshore LP
NBU #922-32E2S, #922-32K1S, #922-32F3T & #922-32F2S
SECTION 32, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.5 MILES.

’APIWellNo:43047503490000’

Kerr-McGee Oil & Gas Onshore LP

NBU #922-32E2S, #922-32K1S, #922-32F3T & #922-32F2S

LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T9S, R22E, S.L.B.&M.

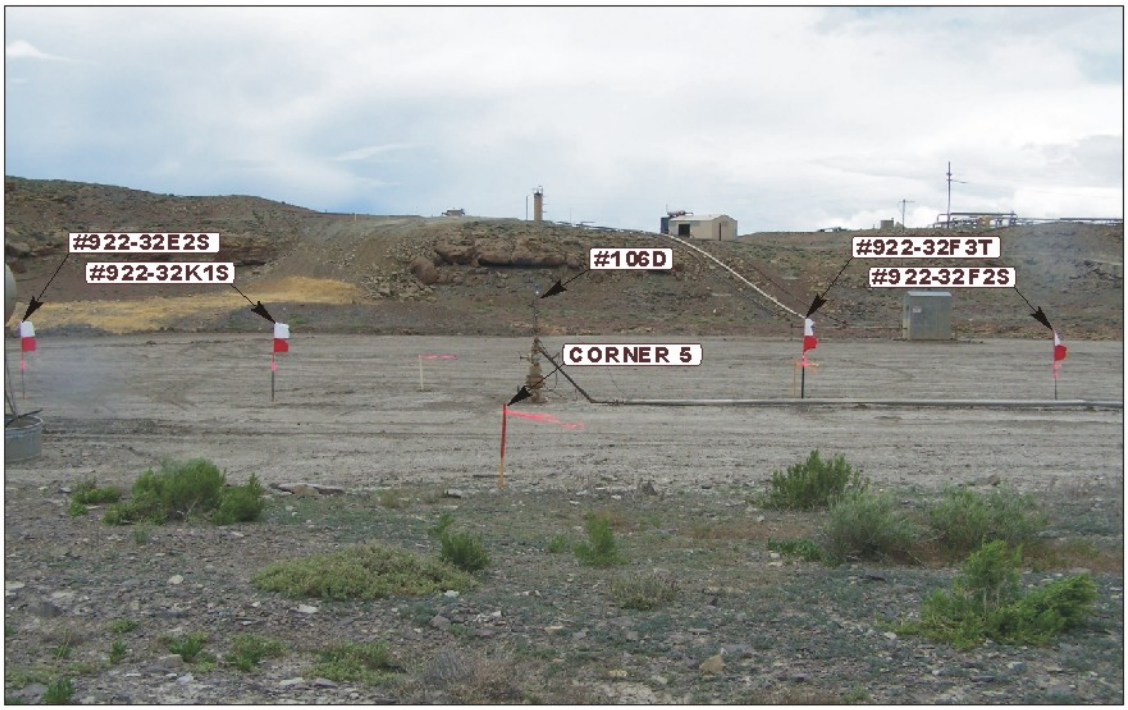


PHOTO: VIEW FROM CORNER 5 TO LOCATION STAKES — CAMERA ANGLE: NORTHWESTERLY

PHOTO: VIEW OF EXISTINGACCESS — CAMERA ANGLE: SOUTHWESTERLY

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 FAX (435) 789-1813

LOCATION PHOTOS	06 MONTH	13 DAY	08 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: S.L.	REV: 08-12-09 C.C.		

NBU 922-32F3T
Pad: NBU 922-32F (CIGE 106D)
Surface: 2,111’ FNL, 1,824’ FWL (SE/4NW/4)
Sec. 32 T9S R22E

Uintah, Utah
Mineral Lease: ML 22649

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately ±0.0 mi. (±0’) of new access road is proposed. Please refer to the attached Topo Map B.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Shadow Gray, a non-reflective earthtone.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used; it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit. Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI in Sec. 5 T9S R22E, NBU #159 in Sec. 35 T9S R21E, Ace Oilfield in Sec. 2 T6S R20E, MC&MC in Sec. 12 T6S R19E, Pipeline Facility in Sec. 36 T9S R20E, Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E, Bonanza Evaporation Pond in Sec. 2 T10S R23E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface/Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey report and paleontological survey report is attached.

13. **Lessee's or Operators' Representative & Certification:**

Kathy Schneebeck Dulnoan
Staff Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6226

Tommy Thompson
General Manager, Drilling
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond 22013542.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Kathy Schneebeck Dulnoan
Kathy Schneebeck Dulnoan

April 2, 2009
Date

'APIWellNo:43047503490000'

Paleontological Assessment for Anadarko Expansion of Existing Pad for Proposed Wells NBU 922-32F3T (and 922-32L1S, 922-32K1S, 922-32F2S)

Archy Bench Quadrangle

Uintah County, Utah

Prepared for

Anadarko Petroleum Corp.
and
School and Institutional Trust Land Administration

Prepared by

SWCA Environmental Consultants

1/12/2009
SWCA #UT08-14314-47

Paleontological Assessment for Anadarko Expansion of Existing Pad for Proposed Wells NBU 922-32F3T (and 922-32L1S, 922-32K1S, 922-32F2S)

Prepared for

Anadarko Petroleum Corp.
Granite Tower
1099 18th St. #1200
Denver, CO 80202

and

State of Utah
School & Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818

Prepared by:

Margaret Imhof M.S., Stephanie M. Lukowski M.S. and Paul C. Murphey, Ph.D.
Utah State Permit 07-363

SWCA Environmental Consultants
2028 West 500 North
Vernal, UT 84078
Phone: 435.789.9388
Fax: 435.789.9385
www.swca.com

SWCA #UT08-14314-47

1/12/2009

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1.0 PROJECT SUMMARY

- Paleontological assessment conducted at the request of Anadarko Petroleum Corp. and the State of Utah School & Institutional Trust Lands Administration (SITLA). Performed by SWCA Environmental Consultants.
    - Utah State Permit 07-363

- Paleontological records search and field survey for the expansion of existing pad CIGE #106D for wells NBU 922-32F3T, 922-32L1S, 922-32K1S, and 922-32F2S. Existing access road and pipeline not surveyed.

- Field survey of proposed well pad and access route completed on 9/22/2008 within T9S-R22E-Sec32 SENW in Uintah County, Utah (USGS 7.5 Minute Archy Bench quadrangle).
    - 100-foot survey buffer around well pad.

- Geology
    - Geologic Units (mapped and observed):
        - Lower unit of the Uinta Formation (PFYC Class 5)

- Paleontology
    - Five previously recorded localities within one-mile radius (outside of area of potential effect)
    - No new localities recorded.

- Recommendation
    - Clearance without further mitigation for well pad.
    - However, if any subsurface bones or other potential fossils are encountered during construction anywhere within the project area, work in the immediate vicinity should cease, the SITLA should be notified, and a qualified and Utah State-permitted paleontologist should inspect the location before work continues.

- Distribution of Survey Report
    - Hard copies sent SITLA and Anadarko Petroleum Corp. Hard copy and electronic copies on file at the SWCA Vernal office.

2.0 INTRODUCTION

At the request of Anadarko Petroleum Corp. and the State of Utah School & Institutional Trust Lands Administration (SITLA), SWCA Environmental Consultants conducted a paleontological records search and field survey of the expansion of existing pad CIGE #106D for wells NBU 922-32F3T, 922-32L1S, 922-32K1S, and 922-32F2S. Existing access road and pipeline not surveyed.

The proposed well pad expansion is located in T9S-R22E-Sec32 SENW in Uintah County, Utah (USGS 7.5 Minute Archy Bench quadrangle; See Map 1).

3.0 METHODS

The paleontological survey and evaluation procedures for this assessment were conducted according to State guidelines under Utah State Permit 07-363.

3.1 Personnel

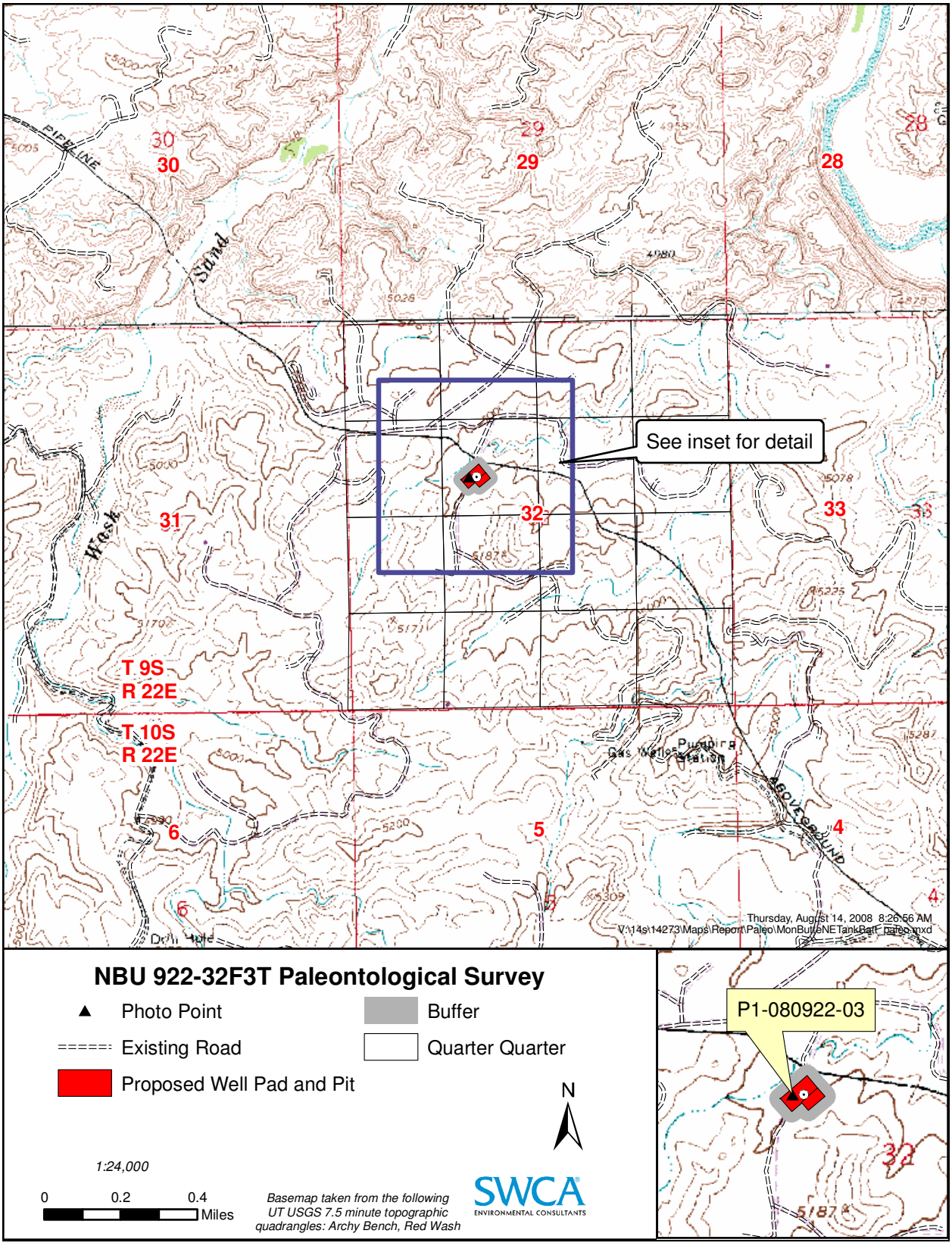
Peter Kloess and Wendi Shaver completed the field survey of the project. Margaret Imhof, M.S., conducted the file searches and Stephanie M. Lukowski, M.S. prepared the final report. Dr. Paul C. Murphey, Principal Investigator on the Utah State permit under which this survey was conducted, supervised the research, field work, and reviewed the final report. Rachel Johnson produced the maps.

3.2 Records Search Methods

Records searches were conducted in order to 1) determine whether any previously recorded fossil localities occur within the project areas; 2) assess the potential for disturbance of these localities during construction; and 3) evaluate the paleontological sensitivity within the area of potential effect (APE). Electronic paleontological records maintained by the Utah Geological Survey, Paleontology Department were searched in order to determine the presence of previously documented fossil localities within the project APE.

3.3 Resource Assessment Methods

The paleontological sensitivity of each geologic unit to be impacted was evaluated using the Potential Fossil Yield Classification System (PFYC), originally developed by the U.S. Forest Service (1996) and recently significantly revised and adopted as policy by the BLM (BLM IM 2008-009) to replace its previous resource management classification system (BLM *Conditions 1-3*). The PFYC utilizes the close relationship between paleontological resource occurrences and the geologic units in which they are preserved. The PFYC designations for the affected geologic units for this project were assigned by the BLM Regional Paleontologist.



Map 1. Location of Anadarko Petroleum Corp. expansion of existing pad for proposed wells NBU 922-32F3T (and 922-32L1S, 922-32K1S, 922-32F2S).

3.4 Field Methods

The survey was designed to 1) determine the surface presence of previously unknown significant vertebrate fossils and/or noteworthy occurrences of invertebrate, plant, or trace fossils; 2) evaluate the condition of documented paleontological localities and the potential for disturbance of these localities during the proposed construction; and 3) evaluate potential adverse impacts to subsurface paleontological resources during construction.

The paleontological field survey consisted of 100-foot-wide buffer around proposed well pad expansion. The area of potential effect was inspected for 1) surface fossils; 2) exposures of potentially fossiliferous rocks; and 3) areas in which fossiliferous rocks will be exposed or otherwise impacted during construction. The survey was 100% pedestrian of outcrop.

A paleontological locality documents the location, identification and description of a scientifically significant fossil(s) along with its geologic context. In addition, however, we record the presence of highly weathered, fragmentary or otherwise unidentifiable fossils as non-significant fossil occurrences which typically consist of fragments of turtle shell, unidentifiable bone and tooth fragments, and unidentifiable plant fossils in order to communicate the presence of fossils in a manner that does not trigger mitigation measures. Typically, fossil locality forms and maps are provided only for significant fossil localities which are either collected at the time of discovery or recommended for avoidance and/or later mitigation.

3.5 Distribution of Data

Copies of this report will be submitted to SITLA and Anadarko Petroleum Corp. Any newly recorded locality data will be submitted to the Utah Geological Survey, State Paleontologist. A hard-copy file will be retained at SWCA Environmental Consultants, Vernal office, along with relevant field notes, maps, and other data. No fossils were collected during this project.

4.0 GEOLOGY AND PALEONTOLOGY

The East-West trending Uinta Mountains were uplifted during the Rocky Mountain-forming Laramide orogeny (Rasmussen et al. 1999) in the Paleocene Epoch (Stokes 1986), exposing the Paleozoic-age rocks in the core of the mountains and Mesozoic-age rocks along their flanks. In conjunction with the uplift, the southerly-adjacent synclinal Uinta Basin formed (Rasmussen et al. 1999). From the Paleocene to the middle Eocene, sediments from freshwater lakes and later from river channels, river deltas and floodplains filled the basin with sediments and accompanying fossils (Stokes 1986, Townsend 2004). From oldest to youngest, these rock units include the Wasatch, Green River, Uinta and Duchesne River formations. Collectively, these units represent the primary source of middle Eocene-aged vertebrate, invertebrate and plant fossils from Utah and Colorado, and are thus of great scientific importance. Locally, Pleistocene- and Holocene-aged sediments deposited by rivers, streams, gravity, and wind overlie the bedrock geologic units.

The project APE contains one mapped geologic unit (Cashion 1973): Eocene-age lower Uinta Formation. In addition to this unit, Holocene-age alluvium and colluvium deposits were also observed during the survey.

4.1 Uinta Formation

In the Uinta Basin, the Uinta Formation consists of greenish-gray, reddish-brown, yellow, grayish-orange, and purple fluvial and lacustrine shale marlstone, siltstone, and sandstone beds which are locally tuffaceous (Cashion 1973; Dane 1954; Rowley et al. 1985). The Uinta Formation is scientifically important because it is the stratotype for the Uintan NALMA and represents nearly all of Uintan time (46.5-40.0 Ma) (Murphey and Evanoff 2007; Townsend 2004; Walsh 1996). In general terms, the Uinta Formation conformably overlies and interfingers with the Green River Formation in the Uinta and Piceance Creek Basins, and is overlain by the Duchesne River Formation in the Uinta Basin. Despite its historical and scientific importance to vertebrate paleontology, the detailed stratigraphy of the Uinta Formation is complex and not yet fully understood.

The Uinta Formation was named by O. C. Marsh in 1871. Based on lithologic differences, O. A Peterson (as quoted in Osborn 1895:72-74) was the first worker to subdivide the Uinta Formation, from stratigraphically lowest to highest, into Horizons A, B, and C. The Wood Committee (Wood et al. 1941) formally divided the Uinta Formation into the older Wagonhound Member (Horizons A and B) and younger Myton Member (Horizon C), and discarded the older tripartite subdivision. However, the older terminology is still widely used because 1) the Wagonhound Member combined two lithologically distinct units: the sandstone-dominated Uinta A, which contains few fossils, and the mudstone and claystone-dominated Uinta B, which contains locally abundant fossils; and 2) fossil collections made prior to the recommendations of the Wood Committee were made using the tripartite scheme. The specific location of the subunit boundaries has shifted slightly with almost each successive publication on the stratigraphy of the area, resulting in a well-understood broad picture for which the stratigraphic details are hazy and the biostratigraphy unresolved (Walsh 1996). The most recent stratigraphic and paleontologic work in the Uinta Formation has included important efforts to better characterize and document the lithostratigraphy, biostratigraphy paleoecology, and paleoenvironments of the Uinta Formation and time-equivalent strata (see Rasmussen et al. 1999; Townsend 2004; Walsh 1996; Townsend et al. 2006).

Approximately 31 percent of modern mammalian families appear in the fossil record of North America during the Uintan NALMA (Black and Dawson 1966). Many of the new taxa are thought to have either originated in North America or emigrated in from Asia (Black and Dawson 1966; Stucky 1992; Beard 1998). The distinctive shift in the composition and diversity of mammalian communities which occurred during the Uintan is marked by the disappearance or decline of more archaic groups such as condylarths, some types of insectivores and marsupials, plesiadapoids, and oxyaenid creodonts. At the same time, more modern groups including lagomorphs, selenodont artiodactyls, advanced carnivorans, and non-ischyromyine rodents began to dominate mammalian communities. See Rasmussen et al. (1999), Townsend (2004), Murphey and Daitch (2007), and Walsh (1996) for further discussions of the mammalian faunas and biostratigraphy of the Uinta Formation.

5.0 RESULTS

The following section presents the results of the records search and field survey conducted for the Anadarko Petroleum Corp. well pad expansion.

5.1 Previously Documented Localities

Five previously documented fossil localities are known within a one-mile radius of the project area. Further information on all the previously recorded localities within a one-mile radius is provided in Appendix A.

5.2 Paleontological Sensitivities

The paleontological sensitivities of the one mapped geologic unit (Cashion 1973) in the project APE has been classified according to the PFYC by the BLM and is summarized in Table 1.

Table 1. Paleontological Sensitivities of Geologic Units Within the Project APE.

Geologic Unit	Map Symbol*	Age	Typical Fossils	PFYC
Uinta Formation, lower part**	Tul	Eocene	Locally abundant plants (leaves, seeds, wood); invertebrates (insects, mollusks); and a highly diverse and scientifically important vertebrate fauna (reptiles, mammals)	Class 5

* Cashion 1973

5.3 Field Survey

NBU 922-32F3T	**Well Pad Expansion**
Location:	T9S-R22E-Sec32 SENW
Surveyed on:	9/22/2008 **By:** Peter Kloess, Wendi Shaver
Survey Remarks:	100% pedestrian survey of expansion existing well pad CIGE #106D plus a 100-ft buffer. Existing access road and pipeline not surveyed.
Photos:	Figures 1-5
Geologic Formation(s):	Uinta Fm, lower Mbr Eocene PFYC Class 5
Reference:	Cashion 1973
Topography:	The existing well pad is flat. A moderate-sized ridge intersects the buffer south of the pit.
Bedrock Exposure Status:	Exposures present along the ridge south of the pit. The remainder of the area is disturbed due to the construction of the previous well.
Geologic Description:	Coarse grained sandstone beds of the Lower Member of the Uinta Formation are present along the moderate sized ridge. Vegetation on top of ridge.
Fossil Status:	None observed.
Fossil Description:	N/A
Recommendation:	Clearance without further mitigation. However, if any subsurface bones or other potential fossils are encountered during construction anywhere within the project area, work in the immediate vicinity should cease, the State should be notified, and a qualified and Utah State-permitted paleontologist should inspect the location *before* work continues.

Figure 1. View to the North from center stakes.

Figure 2. View to the East from center stakes.

Figure 3. View to the South from center stakes.

Figure 4. View to the West from center stakes.

Figure 5. View to the east of existing well pad from photo point F1-080922-03.

6.0 REFERENCES

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Dane, C. H. 1954. Stratigraphic and facies relationships of upper part of Green River Formation and lower part of Uinta Formation in Duchesne, Uintah, Wasatch Counties, Utah: American Association of Petroleum Geologists Bulletin, v. 38, no. 2, p. 405-425.

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Murphey, P.C., and Evanoff, E. 2007. Stratigraphy, fossil distribution and depositional environments of the upper Bridger Formation (middle Eocene), southwestern Wyoming: *Wyoming State Geological Survey Report of Investigation 57, 107 p,* (1 map, scale 1:100,000; 10 maps, scale 1:24,000).

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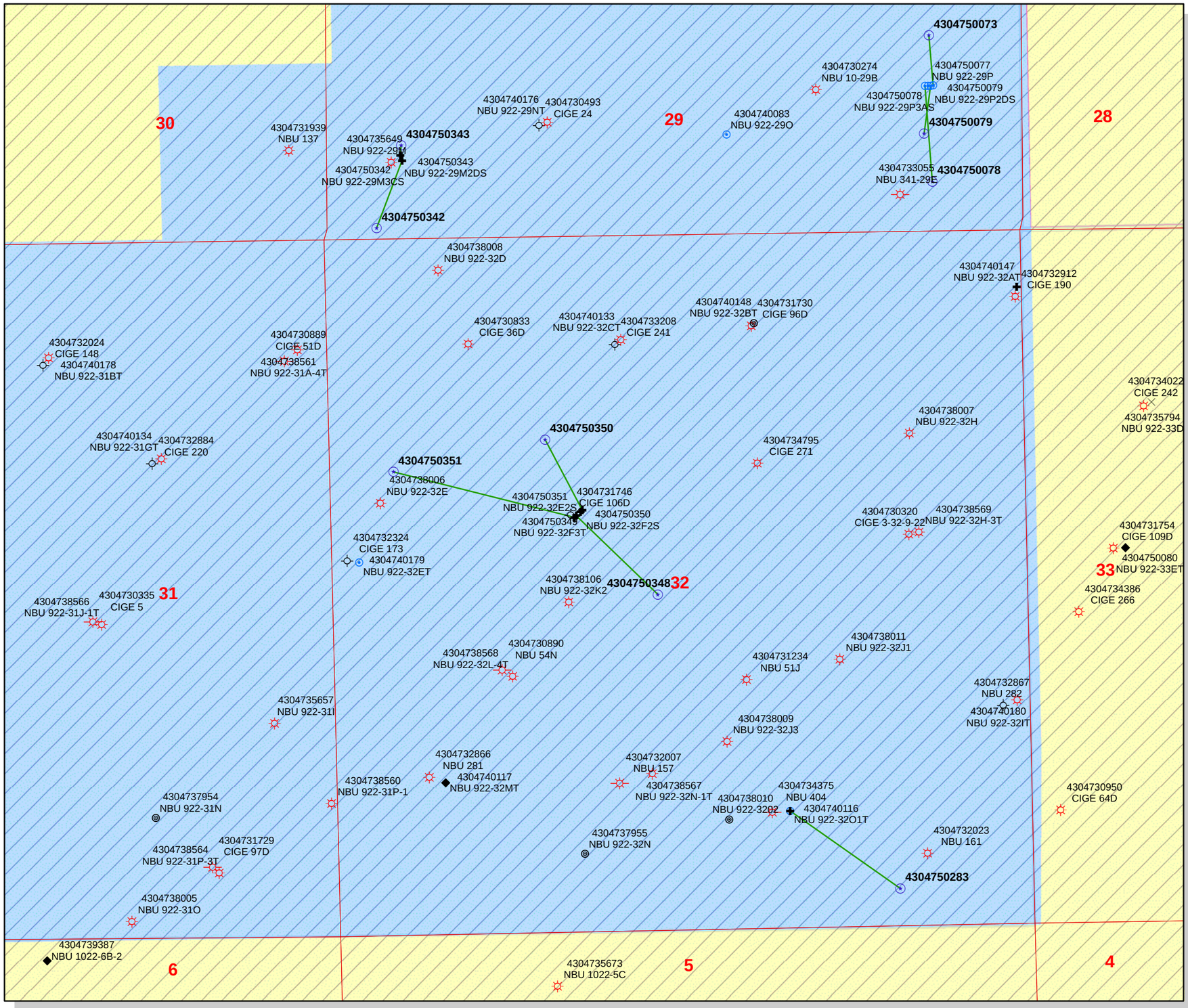


API Number: 4304750349

Well Name: NBU 922-32F3T

Township 09.0 S Range 22.0 E Section 32

Meridian: SLBM

Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:
Map Produced by Diana Mason

Units

STATUS
- ACTIVE
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PI OIL
- PP GAS
- PP GEOTHERMAL
- PP OIL
- SECONDARY
- TERMINATED

Fields

STATUS
- ACTIVE
- COMBINED

Sections

Wells Query Events
- <all other values>

GIS_STAT_TYPE
- <Null>
- APD
- DRL
- GI
- GS
- LA
- NEW
- OPS
- PA
- PGW
- POW
- RET
- SGW
- SOW
- TA
- TW
- WD
- WI
- WS

N

930 465 0 930 Feet

1:9,326

'APIWellNo:43047503490000'

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

April 17, 2009

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2009 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2009 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-50342	NBU 922-29M3CS	Sec 29 T09S R22E 0572 FSL 0520 FWL
	BHL	Sec 29 T09S R22E 0065 FSL 0315 FWL
43-047-50343	NBU 922-29M2DS	Sec 29 T09S R22E 0611 FSL 0511 FWL
	BHL	Sec 29 T09S R22E 0689 FSL 0515 FWL
43-047-50348	NBU 922-32K1S	Sec 32 T09S R22E 2137 FNL 1793 FWL
	BHL	Sec 32 T09S R22E 2558 FSL 2399 FWL
43-047-50349	NBU 922-32F3T	Sec 32 T09S R22E 2111 FNL 1824 FWL
43-047-50350	NBU 922-32F2S	Sec 32 T09S R22E 2098 FNL 1839 FWL
	BHL	Sec 32 T09S R22E 1558 FNL 1565 FWL
43-047-50351	NBU 922-32E2S	Sec 32 T09S R22E 2150 FNL 1778 FWL
	BHL	Sec 32 T09S R22E 1786 FNL 0412 FWL
43-047-38921	NBU 1022-8B-4T	Sec 08 T10S R22E 0909 FNL 1793 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

API Well No: 43047503490000

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:4-17-09

API Well No: 43047503450000

From: Davis, Jim(Jim Davis)
To: Mason, Diana
Date: 4/23/2009 7:37 AM
Subject: Kmg well approvals (8)

CC: Garrison, LaVonne, Bonner, Ed, "White, Raleen" <Raleen.White@anadarko.com>
The following wells have been approved by SITLA including arch and paleo clearance.

NBU 922-32E2S -4304750351
NBU 922-32F2S -4304750350
NBU 922-32F3T - 4304750349
NBU 922-32K1S - 4304750348

BONANZA 1023-2G1BS - 4304750347
BONANZA 1023-2G2CS - 4304750346
BONANZA 1023-2G3BS - 4304750345
BONANZA 1023-2H3CS - 4304750344

-Jim

Jim Davis
State of Utah
Trust Lands Administration
(801) 538-5156

BOPE REVIEW KERR-MCGEE OIL & GAS ONSHORE, L.P. NBU 922-32F3T 43047503490000

Well Name	KERR-MCGEE OIL & GAS ONSHORE, L.P. NBU 922-32F3T 43047503490			
String	Surf	Prod		
Casing Size(")	9.625	4.500		
Setting Depth (TVD)	2300	9200		
Previous Shoe Setting Depth (TVD)	40	2300		
Max Mud Weight (ppg)	8.4	12.0		
BOPE Proposed (psi)	500	5000		
Casing Internal Yield (psi)	3520	7780		
Operators Max Anticipated Pressure (psi)	5244	11.0		

Calculations	Surf String	9.625	"
Max BPH (psi)	.052*Setting Depth*MW=	1005	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	729	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	499	YES Reasonable Depth in area, No expected pressure
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	508	NO Reasonable Depth in area, No expected pressure
Required Casing/BOPE Test Pressure=		2300	psi
*Max Pressure Allowed @ Previous Casing Shoe=		40	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	4.500	"
Max BPH (psi)	.052*Setting Depth*MW=	5741	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	4637	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	3717	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	4223	NO reasonable, note max allowed pressure
Required Casing/BOPE Test Pressure=		5000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		2300	psi *Assumes 1psi/ft frac gradient

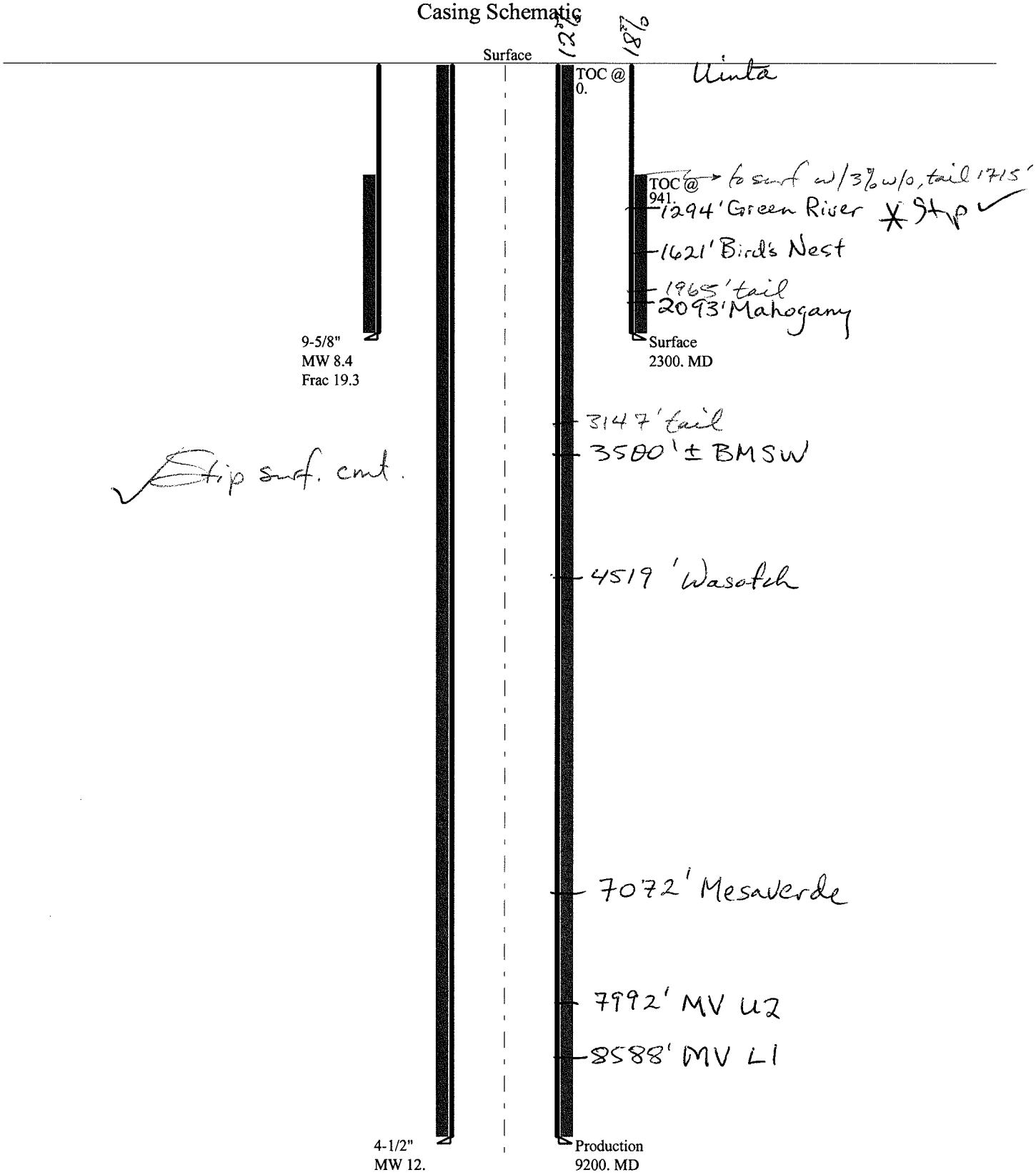
Calculations	String		"
Max BPH (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BPH (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

'APIWellNo:43047503490000'

43047503490000 NBU 922-32F3T

Casing Schematic



'APIWellNo:43047503490000'

Well name:	**43047503490000 NBU 922-32F3T**
Operator:	**KERR-MCGEE OIL & GAS ONSHORE, L.P.**
String type:	Surface
Project ID:	43-047-50349
Location:	UINTAH COUNTY

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 2,014 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 941 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 9,200 ft
Next mud weight: 12.000 ppg
Next setting BHP: 5,735 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	2300	9.625	36.00	J-55	LT&C	2300	2300	8.796	18808

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	82.8	453	5.47 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: April 28,2009
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

'APIWellNo:43047503490000'

Well name:	**43047503490000 NBU 922-32F3T**
Operator:	**KERR-MCGEE OIL & GAS ONSHORE, L.P.**
String type:	Production
Project ID:	43-047-50349
Location:	UINTAH COUNTY

Design parameters:

Collapse
- Mud weight: 12.000 ppg
- Internal fluid density: 2.330 ppg

Burst
- Max anticipated surface pressure: 3,711 psi
- Internal gradient: 0.220 psi/ft
- Calculated BHP 5,735 psi

No backup mud specified.

Minimum design factors:

Collapse:
- Design factor 1.125

Burst:
- Design factor 1.00

Tension:
- 8 Round STC: 1.80 (J)
- 8 Round LTC: 1.80 (J)
- Buttress: 1.60 (J)
- Premium: 1.50 (J)
- Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 7,550 ft

Environment:
- H2S considered? No
- Surface temperature: 75 °F
- Bottom hole temperature: 204 °F
- Temperature gradient: 1.40 °F/100ft
- Minimum section length: 1,000 ft
- Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	9200	4.5	11.60	I-80	LT&C	9200	9200	3.875	121437

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	4621	6360	1.376	5735	7780	1.36	106.7	212	1.99 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: April 28,2009
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9200 ft, a mud weight of 12 ppg An internal gradient of .121 psi/ft was used for collapse from TD to
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

ON-SITE PREDRILL EVALUATION
Utah Division of Oil, Gas and Mining

Operator	KERR-MCGEE OIL & GAS ONSHORE, L.P.								
Well Name	NBU 922-32F3T								
API Number	43047503490000	**APD No**	1395	**Field/Unit**	NATURAL BUTTES				
Location: 1/4,1/4	SENW	**Sec**	32	**Tw**	9.0S	**Rng**	22.0E	2111 FNL	1824 FWL
GPS Coord (UTM)				**Surface Owner**					

Participants

Floyd Bartlett and David Hackford (DOGM), Jim Davis (SITLA), Raleen White, Clay Einerson and Tony Kzneck (Kerr McGee) and David Kay (Uintah Engineering and Land Surveying).

Regional/Local Setting & Topography

The proposed gas well is on the existing location of the CIGE 106D gas well. This well is planned to be plugged. Four new wells, NBU 922-32-E2S, NBU 922-32-F2S, NBU 922-32F3T and NBU 922-32K1S are proposed on this pad. The old pit which has been reclaimed will be re-dug and lengthened 40 feet to 90' x 150' x 10' deep. It will be in the southeast corner of the location. The existing pad appears to be stable and should present no problems for drilling and operating the proposed well.

Surface Use Plan

Current Surface Use
Existing Well Pad

New Road Miles	Well Pad Width	Well Pad Length	Src Const Material	Surface Formation

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands

Flora / Fauna

Soil Type and Characteristics

Erosion Issues

Sedimentation Issues

Site Stability Issues

Drainage Diverson Required?

Berm Required?

Erosion Sedimentation Control Required?

Paleo Survey Run?	Paleo Potental Observed?	Cultural Survey Run?	Cultural Resources?

Reserve Pit

Site-Specific Factors		Site Ranking	
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	40	1 Sensitivity Level

Characteristics / Requirements

The old pit which has been reclaimed will be re-dug and lengthened 40 feet to 90' x 150' x 10' deep. It will be in the southeast corner of the location.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 40 **Pit Underlayment Required?** Y

Other Observations / Comments

Write-up completed 04-14-2009

Floyd Bartlett	6/13/2008
Evaluator	**Date / Time**

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
1395	43047503490000	LOCKED	GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, L.P.		**Surface Owner-APD**		
Well Name	NBU 922-32F3T		**Unit**	NATURAL BUTTES	
Field	NATURAL BUTTES		**Type of Work**	DRILL	
Location	SENW 32 9S 22E S 2111 FNL 1824 FWL		GPS Coord (UTM)	630961E	4428012N

Geologic Statement of Basis

Kerr McGee proposes to set 2,300’ of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,500'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 32. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole. The proposed casing and cement should adequately protect. Any usable ground water.

Brad Hill — **APD Evaluator**

4/15/2009 — **Date / Time**

Surface Statement of Basis

The proposed gas well is on the existing location of the CIGE 106D gas well. This well is planned to be plugged. Four new wells, NBU 922-32-E2S, NBU 922-32-F2S, NBU 922-32F3T and NBU 922-32K1S are proposed on this pad. The old pit which has been reclaimed will be re-dug and lengthened 40 feet to 90’ x 150’ x 10’ deep. It will be in the southeast corner of the location. The existing pad appears to be stable and should present no problems for drilling and operating the proposed well.

Floyd Bartlett — **Onsite Evaluator**

6/13/2008 — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A double synthetic liner each with a minimum thickness of 20 mils and an appropriate thickness of felt sub-liner to cushion the liners shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 4/13/2009 **API NO. ASSIGNED:** 43047503490000

WELL NAME: NBU 922-32F3T

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) **PHONE NUMBER:** 720 929-6007

CONTACT: Kathy Schneebeck-Dulnoan

PROPOSED LOCATION: SENW 32 090S 220E **Permit Tech Review:** ☑

SURFACE: 2111 FNL 1824 FWL **Engineering Review:** ☑

BOTTOM: 2111 FNL 1824 FWL **Geology Review:** ☑

COUNTY: UINTAH

LATITUDE: 39.99403 **LONGITUDE:** -109.46598

UTM SURF EASTINGS: 630961.00 **NORTHINGS:** 4428012.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

LEASE NUMBER: ML 22649 **PROPOSED FORMATION:** WSMVD

SURFACE OWNER: 3 - State **COALBED METHANE:** NO

RECEIVED AND/OR REVIEWED:

- ☑ **PLAT**
- ☑ **Bond:** STATE/FEE - 22013542
- ☐ **Potash**
- ☑ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** Permit #43-8496
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit: NATURAL BUTTES

- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: Cause 173-14

Effective Date: 12/2/1999

Siting: 460' fr u bdry & uncomm. tract

- ☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:
5 - Statement of Basis - bhill
17 - Oil Shale 190-5(b) - dmason
25 - Surface Casing - ddoucet

JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill

****

Well Name: NBU 922-32F3T
API Well Number: 43047503490000
Lease Number: ML 22649
Surface Owner: STATE
Approval Date: 4/30/2009

Issued to:
KERR-MCGEE OIL & GAS ONSHORE, L.P. , P.O. Box 173779, Denver, CO 80217

Authority:
Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14 .

Duration:
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:
In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Surface casing shall be cemented to the surface.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis

- 24 hours prior to spudding the well - contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program - contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well - contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well - contact Dustin Doucet
- Any changes to the approved drilling plan - contact Dustin Doucet

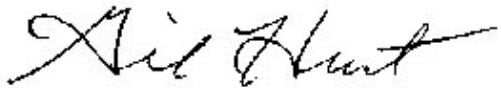
The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office
  (801) 942-0871 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office
  (801) 733-0983 home

Reporting Requirements:

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Approved By:



Gil Hunt
Associate Director, Oil & Gas

API Well No: 43047503490000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-32F3T

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047503490000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2111 FNL 1824 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 32 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ SPUD REPORT Date of Spud: 6/17/2009	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION ON 06/17/2009 AT 1100 HRS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

June 22, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sheila Upchego	435 781-7024	Regulatory Analyst
SIGNATURE N/A		**DATE** 6/18/2009

RECEIVED June 18, 2009

API Well No: 43047503490000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22649

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-32F3T

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047503490000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2111 FNL 1824 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 32 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 6/22/2009	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 06/22/2009. DRILLED 12 1/4" SURFACE HOLE TO 2340'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/220 SX HIFILL CLASS G @11.0 PPF 3.82 YIELD. PMP 200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DROP PLUG ON FLY DISPLACE W/175.5 BBLS OF H2O. 20 BBLS OF LEAD TO SURFACE PLUG DOWN 640 PSI OF LIFT BUMP PLUG 1100 PSI FLOAT FELL BACK PUMP 150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. 5 GAL 3% CALC PREM CMT DOWN 1" CMT FELL 50' WILL TOP OFF NEXT JOB. WORT.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
June 24, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sheila Wopsock	435 781-7024	Regulatory Analyst
SIGNATURE N/A		**DATE** 6/24/2009

RECEIVED June 24, 2009

API Well No: 43047503490000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22649

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-32F3T

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047503490000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2111 FNL 1824 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 32 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/14/2009	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Frac Factory Pit Refurb

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP is requesting to refurb the existing pit on this pad for completion operations. The refurb pit will be relined per the requirements in the COA of the APD. Upon completion of the wells on this pad KMG is also requesting to utilize this pit as a staging pit to be utilized for other completion operations in the area. There will be 2 - 400 bbl upright skim tanks placed on location. The trucks will unload water into these tanks before the water is placed into the refurbed pit. The purpose of the skim tanks is to collect any hydro-carbons that may have been associated with the other completion operations before releasing into the pit. We plan to keep this pit open for 1 year. During this time the attached well location completion fluids will be recycled in this pit and utilized for other frac jobs in the area.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 22, 2009

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Raleen White	720 929-6666	Sr. Regulatory Analyst
SIGNATURE N/A		**DATE** 9/14/2009

RECEIVED September 14, 2009

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047503490000

A synthetic liner with a minimum thickness of 30 mils shall be properly installed and maintained in the pit.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: September 22, 2009

By:

API Well No: 43047503490000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22649

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-32F3T

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047503490000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2111 FNL 1824 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 32 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 9/28/2009	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2,340' TO 9,282' ON 09/27/2009. RAN 4-1/2" 11.6# I-80 PRODUCTION CSG. PUMP 40 BBLS H20. LEAD CMT W/578 SX CLASS G PREM LITE @ 12.2 PPG, 2.17 YIELD. TAILED CMT W/1140 SX CLASS G 50/50 POZ @ 14.3 PPG, 1.31 YIELD. DROP PLUG & DISPLACE W/143.2 BBLS H20 + ADDITIVES. GOOD RETURNS THROUGHOUT JOB. LIFT PRESSURE @ 2800 PSI. BUMP PLUG W/3300 PSI & 40 BBLS CMT TO PIT. HOLD 5 MINUTES W/ NO LOSS, PLUG DOWN. FLOATS HELD W/2.0 BBLS BACK TO INVENTORY. RELEASE H&P 298 RIG ON 09/28/2009 AT 20:30 HRS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

September 29, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 9/29/2009

RECEIVED September 29, 2009

API Well No: 43047503490000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-32F3T

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047503490000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2111 FNL 1824 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 32 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 1/15/2010	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	✓ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 01/15/2010 AT 12:00 HRS. CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH WELL COMPLETION REPORT.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

January 21, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 1/21/2010

RECEIVED January 21, 2010

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML 22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME: UTU63047A

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: NBU 922-32F3T

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304750349

3. ADDRESS OF OPERATOR: P.O. BOX 173779 CITY DENVER STATE CO ZIP 80217

PHONE NUMBER: (720) 929-6100

10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: SENW 2111 FNL & 1824 FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 32 9S 22E

12. COUNTY: UINTAH

13. STATE: UTAH

14. DATE SPUDDED: 6/21/2009

15. DATE T.D. REACHED: 9/27/2009

16. DATE COMPLETED: 1/15/2010 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 5003' GL

18. TOTAL DEPTH: MD 9,282 TVD 9,282

19. PLUG BACK T.D.: MD 9,235 TVD 9,235

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL/GR-SDL/DSN/ACTR-BHV

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,341		570			
7 7/8"	4 1/2 I-80	11.6#		9,272		1718			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,568							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	7,066	7,104		
(B) MESAVERDE	7,170	9,116		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
7,066 7,104	0.36	8	Open ☑ Squeezed ☐
7,170 9,116	0.36	147	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7,066-7,267	PMP 2,052 BBLS SLICK H20 & 98,208 LBS 30/50 SD.
7,411-9,116	PMP 10,242 BBLS SLICK H20 & 395,299 LBS 30/50 SD.

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

RECEIVED
FEB 16 2010
DIV. OF OIL, GAS & MINING

(5/2000) **(CONTINUED ON BACK)**

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
1/15/2010	2/6/2010	24		80	2,803	280	FLOWING

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
18/64	1,500	2,000					80	2,803	280	PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

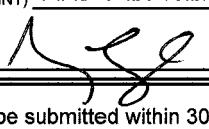
Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,304				
MAHOGANY	1,978				
WASATCH	4,557	7,147			
MESAVERDE	7,147	9,248			

35. ADDITIONAL REMARKS (Include plugging procedure)

ATTACHED TO THIS COMPLETION REPORT IS THE CHRONOLOGICAL WELL HISTORY AND EOWR.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) ANDY LYTLE TITLE REGULATORY ANALYST

SIGNATURE  DATE 2/12/2010

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well Information

Well	NBU 922-32F3T [BLUE]	**Wellbore No.**	OH
Well Name	NBU 922-32F3T	**Common Name**	NBU 922-32F3T
Project	UTAH-UINTAH	**Site**	NBU 922-32F PAD
Vertical Section Azimuth		**North Reference**	True
Origin N/S		**Origin E/W**	
Spud Date	6/21/2009	**UWI**	0/9/S/22/E/32/0/SWSENW/26/PM/N/2,111.00/W/0/1,824.00/0/0
Active Datum	RKB @5,029.00ft (above Mean Sea Level)		

2 Survey Name

2.1 Survey Name: Survey #1

Survey Name	Survey #1	**Company**	SCIENTIFIC
Started	6/21/2009	**Ended**	
Tool Name	MWD	**Engineer**	Anadarko

2.1.1 Tie On Point

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)
26.00	0.00	0.00	26.00	0.00	0.00

2.1.2 Survey Stations

Date	Type	MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace (°)
6/21/2009	Tie On	26.00	0.00	0.00	26.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/21/2009	NORMAL	196.00	0.20	327.00	196.00	0.25	-0.16	0.25	0.12	0.12	0.00	327.00
	NORMAL	286.00	0.28	245.00	286.00	0.29	-0.45	0.29	0.36	0.09	-91.11	-120.15
	NORMAL	376.00	0.34	286.00	376.00	0.27	-0.90	0.27	0.25	0.07	45.56	95.99
	NORMAL	646.00	0.42	127.00	646.00	-0.14	-1.01	-0.14	0.33	0.17	-50.00	-84.81
	NORMAL	736.00	0.07	170.00	735.99	-0.39	-0.73	-0.39	0.41	-0.39	47.78	172.62
	NORMAL	856.00	0.37	112.00	855.99	-0.61	-0.36	-0.61	0.28	0.25	-48.33	-68.11
	NORMAL	976.00	0.65	117.00	975.99	-1.06	0.61	-1.06	0.24	0.23	4.17	11.54
	NORMAL	1,096.00	0.85	119.00	1,095.98	-1.80	1.99	-1.80	0.17	0.17	1.67	8.46
	NORMAL	1,216.00	0.52	153.00	1,215.97	-2.72	3.02	-2.72	0.42	-0.27	28.33	145.23
	NORMAL	1,336.00	0.48	84.00	1,335.97	-3.15	3.76	-3.15	0.47	-0.03	-57.50	-127.83
	NORMAL	1,456.00	0.44	35.80	1,455.96	-2.72	4.53	-2.72	0.31	-0.03	-40.17	-119.65
	NORMAL	1,576.00	0.58	7.77	1,575.96	-1.75	4.88	-1.75	0.23	0.12	-23.36	-75.21
	NORMAL	1,696.00	0.31	329.00	1,695.95	-0.87	4.80	-0.87	0.33	-0.23	-32.31	-150.15
	NORMAL	1,816.00	0.44	347.75	1,815.95	-0.14	4.53	-0.14	0.15	0.11	15.63	52.98
	NORMAL	1,936.00	0.30	248.20	1,935.95	0.19	4.14	0.19	0.48	-0.12	-82.96	-148.87
6/21/2009	NORMAL	466.00	0.14	310.00	466.00	0.41	-1.24	0.41	0.24	-0.22	26.67	164.97
6/21/2009	NORMAL	556.00	0.27	172.00	556.00	0.27	-1.30	0.27	0.43	0.14	-153.33	-152.06
6/22/2009	NORMAL	2,056.00	0.54	216.32	2,055.95	-0.38	3.52	-0.38	0.27	0.20	-26.57	-60.93
	NORMAL	2,176.00	0.61	202.38	2,175.94	-1.42	2.94	-1.42	0.13	0.06	-11.62	-70.50

2.1.2 Survey Stations (Continued)

Date	Type	MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace (°)
6/22/2009	NORMAL	2,296.00	0.53	208.62	2,295.94	-2.50	2.43	-2.50	0.08	-0.07	5.20	145.28
	NORMAL	2,326.00	0.79	195.58	2,325.93	-2.82	2.31	-2.82	1.00	0.87	-43.47	-36.64

2.2 Survey Name: Survey #2

Survey Name	Survey #2	**Company**	WEATHERFORD
Started	9/23/2009	**Ended**	
Tool Name	MWD	**Engineer**	Anadarko

2.2.1 Tie On Point

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)
2,322.00	0.79	195.58	2,322.00	-2.80	2.27

2.2.2 Survey Stations

Date	Type	MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace (°)
9/23/2009	Tie On	2,322.00	0.79	195.58	2,322.00	-2.80	2.27	-2.80	0.00	0.00	0.00	0.00
9/23/2009	NORMAL	2,381.00	0.69	220.11	2,381.00	-3.46	1.93	-3.46	0.56	-0.17	41.58	119.53
	NORMAL	2,570.00	1.00	210.94	2,569.97	-5.75	0.35	-5.75	0.18	0.16	-4.85	-28.20
	NORMAL	2,758.00	0.50	257.06	2,757.96	-7.34	-1.29	-7.34	0.40	-0.27	24.53	151.12
	NORMAL	2,948.00	1.13	230.19	2,947.94	-8.72	-3.54	-8.72	0.38	0.33	-14.14	-45.15
9/24/2009	NORMAL	3,138.00	1.06	296.44	3,137.91	-9.14	-6.55	-9.14	0.63	-0.04	34.87	125.92
	NORMAL	3,327.00	0.49	355.78	3,326.90	-7.56	-8.18	-7.56	0.48	-0.30	31.40	152.51
	NORMAL	3,517.00	0.88	12.31	3,516.88	-5.32	-7.93	-5.32	0.23	0.21	8.70	35.30
	NORMAL	3,707.00	0.88	3.56	3,706.86	-2.44	-7.52	-2.44	0.07	0.00	-4.61	-94.37
	NORMAL	3,896.00	0.63	329.06	3,895.84	-0.10	-7.97	-0.10	0.27	-0.13	-18.25	-135.32
	NORMAL	4,086.00	0.31	42.56	4,085.84	1.17	-8.16	1.17	0.33	-0.17	38.68	151.26
	NORMAL	4,276.00	0.56	42.06	4,275.83	2.24	-7.19	2.24	0.13	0.13	-0.26	-1.12
	NORMAL	4,465.00	0.25	72.94	4,464.83	3.05	-6.18	3.05	0.19	-0.16	16.34	159.62
	NORMAL	4,654.00	0.31	22.06	4,653.83	3.64	-5.59	3.64	0.13	0.03	-26.92	-102.75
	NORMAL	4,843.00	1.31	348.56	4,842.81	6.24	-5.83	6.24	0.56	0.53	-17.72	-42.74
	NORMAL	5,033.00	0.56	21.19	5,032.78	9.23	-5.92	9.23	0.47	-0.39	17.17	160.19
	NORMAL	5,222.00	1.50	73.81	5,221.75	10.78	-3.21	10.78	0.66	0.50	27.84	73.60
	NORMAL	5,410.00	1.06	86.19	5,409.70	11.58	0.89	11.58	0.28	-0.23	6.59	153.94
	NORMAL	5,598.00	0.72	316.56	5,597.69	12.56	1.81	12.56	0.86	-0.18	-68.95	-159.95
	NORMAL	5,787.00	0.25	258.19	5,786.69	13.33	0.59	13.33	0.33	-0.25	-30.88	-160.13
	NORMAL	5,977.00	0.06	258.19	5,976.69	13.23	0.09	13.23	0.10	-0.10	0.00	180.00
	NORMAL	6,165.00	0.56	135.81	6,164.68	12.55	0.63	12.55	0.32	0.27	-65.10	-127.27
9/25/2009	NORMAL	6,355.00	0.69	359.31	6,354.68	13.03	1.26	13.03	0.61	0.07	-71.84	-155.87
	NORMAL	6,544.00	2.13	325.19	6,543.62	17.05	-0.75	17.05	0.85	0.76	-18.05	-48.06
	NORMAL	6,733.00	1.38	319.94	6,732.53	21.68	-4.22	21.68	0.41	-0.40	-2.78	-170.52
	NORMAL	6,921.00	0.69	261.94	6,920.50	23.25	-6.80	23.25	0.62	-0.37	-30.85	-150.02
	NORMAL	7,111.00	0.69	236.06	7,110.49	22.45	-8.88	22.45	0.16	0.00	-13.62	-102.94
	NORMAL	7,301.00	0.50	205.69	7,300.48	21.06	-10.19	21.06	0.19	-0.10	-15.98	-135.65
	NORMAL	7,490.00	0.63	161.69	7,489.47	19.34	-10.22	19.34	0.23	0.07	-23.28	-96.10
	NORMAL	7,680.00	1.06	159.19	7,679.45	16.70	-9.27	16.70	0.23	0.23	-1.32	-6.15
9/26/2009	NORMAL	7,879.00	1.63	148.69	7,878.39	12.56	-7.15	12.56	0.31	0.29	-5.28	-28.69
	NORMAL	8,059.00	1.38	120.94	8,058.33	9.26	-3.96	9.26	0.42	-0.14	-15.42	-122.46
	NORMAL	8,248.00	0.69	242.44	8,247.32	7.56	-3.01	7.56	0.97	-0.37	64.29	161.32
	NORMAL	8,438.00	0.94	203.69	8,437.30	5.61	-4.65	5.61	0.31	0.13	-20.39	-85.81
	NORMAL	8,626.00	1.13	177.81	8,625.27	2.34	-5.20	2.34	0.27	0.10	-13.77	-81.16
	NORMAL	8,816.00	1.75	180.81	8,815.21	-2.43	-5.17	-2.43	0.33	0.33	1.58	8.43
	NORMAL	9,004.00	1.81	170.19	9,003.12	-8.23	-4.71	-8.23	0.18	0.03	-5.65	-85.03

2.2.2 Survey Stations (Continued)

Date	Type	MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace (°)
9/27/2009	NORMAL	9,231.00	2.22	164.06	9,229.98	-15.99	-2.89	-15.99	0.20	0.18	-2.70	-30.82

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-32F3T

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047503490000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2111 FNL 1824 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 32 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 4/7/2011	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator requests approval to conduct wellhead/casing repair operations on the subject well location. Please find the attached procedures for the proposed repair work on the subject well location.

Approved by the Utah Division of Oil, Gas and Mining

Date: 04/13/2011

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE N/A		**DATE** 4/7/2011

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WORKORDER #: 88122148 3/4/11

Name: NBU 922-32F3T – 922-32F PAD
Surface Location: SENW SEC.32, T9S, R22E
Uintah County, UT

API: 4304750349 **LEASE#:** ML-22649

ELEVATIONS: 5003' GL 5029' KB

TOTAL DEPTH: 9282' **PBTD:** 9235'

SURFACE CASING: 9 5/8", 36# J-55 @ 2341'

PRODUCTION CASING: 4 1/2", 11.6#, I-80 @ 9272'
TOC @ Surface per CBL

PERFORATIONS: Wasatch 7066' – 7104'
Mesaverde 7170' – 9116'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02173	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.01554
9.625" 36# J-55	8.921	2020	3520	3.247	0.434	0.0773
Annular Capacities						
2.375" tbg. X 4 ½" 11.6# csg				0.4227	0.0565	0.01006

GEOLOGICAL MARKERS, TOPS:

1304' Green River
1978' Mahogany
4557' Wasatch
7147' Mesaverde

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NBU 922-32F3T – WELLHEAD REPLACEMENT PROCEDURE

PREP-WORK PRIOR TO MIRU:

1. Dig out down to the 2" surface casing valve or to the valve on the riser off the surface casing.
2. Install a tee with 2 valves, with a pressure gauge and sensor on one valve.
3. Open casing valve and record pressures.
4. Install nipple and steel hose on the other valve, the relief valve,. Do not use hammer unions. No impact equipment or tools to be used for any of this installation. Extend hose and hard piping to a downwind location at least 100' from the wellhead. Consider installing a manifold so that vent area could be in two locations approx. 90 degrees apart from the wellhead.
5. Open the relief valve and blow well down to the atmosphere.
6. Make a determination of amount of gas flow, either by installation of a choke nipple, bucket test or other.
7. Shut well in. Observe for rate of build-up by utilizing sensor data. Do not build-up for more than 24 hours. Vent gas through the vent line and leave open to the atmosphere.

WORKOVER PROCEDURE:

1. MIRU workover rig.
2. Kill well with 10# brine / KCL (dictated by well pressure).
3. Remove tree, install double BOP with blind and 2 3/8" pipe rams, with accumulator closing unit and manual back-ups. Function test BOP system.
4. POOH w/ tubing laying down extra tubing.
5. Rig up wireline service. RIH and set CBP @ ~7016'. Dump bail 4 sx cement on top of plug. POOH and RD wireline service. TIH w/ tubing and seating nipple. Land tubing ±60' above cement. RDMO.
6. Monitor well pressures. If surface casing is dead. MIRU. ND WH and NU BOP. POOH w/ tubing.
7. Depending on conditions at wellsite, continue with either CUT/PATCH Procedure or BACK-OFF Procedure.

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CUT/PATCH PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 30' from surface.

2. POOH, LD cutters and casing.

3. PU 7 3/8" overshot with 4 ½" right hand standard wicker grapple, 1 - 4 ¾" drill collar with 3 ½" IF threads, pup joint, manual bumper sub, and crossovers. If casing cut is deeper than ±30' utilize >7000 ft-lb torque pipe as needed. Pull a minimum of 10,000# to keep grapple engaged if cement top is high (<~900'). If cement top is low (>~900'), more weight will be required to put casing in neutral. Torque casing string to ±7000 ft-lbs, count number of turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out, release overshot, POOH, and lay down.

4. TIH w/ skirted mill and dress off the fish top for approximately ½ hour. TOOH.

5. PU & RIH w/ 4 ½" 10k external casing patch on 4 ½" P-110 casing. Ensure that sliding sleeve assembly shifts ±3' and casing tags no-go portion of patch. NOTE: Shear pins will shear at 3500 to 4500 lbs.

6. Latch fish, PU to 100,000# tension. RU B&C. Cycle pressure test to 7,000# / 9,000# psi.

7. Install slips. Land casing w/ 80,000# tension.

8. Cut-off and dress 4 ½" casing stub.

9. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6966'. Clean out to PBTD (9235').

10. POOH, land tbg and pump off POBS.

11. NUWH, RDMO. Turn well over to production ops.

BACK-OFF PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 6' from surface.

2. POOH, LD cutters and casing.

3. PU 4 ½" overshot. RIH, latch fish. Pick string weight to neutral.

4. MIRU casing crew and wireline services. RIH and shoot string shot at casing collar @ ± 46'.

5. Back-off casing, POOH.

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6. PU new casing joint with buttress threads and entry guide and RIH. Tag casing top. Thread into casing and torque up to ±7000 ft-lbs, count number of additional turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out go to step 7.

7. PU 100,000# tension string weight. RU B&C. Cycle pressure test to 7,000# / 9,000# psi.

8. Install slips. Land casing w/ 80,000# tension.

9. Cut-off and dress 4 ½" casing stub.

10. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6966'. Clean out to PBTD (9235').

11. POOH, land tbg and pump off POBS.

12. NUWH, RDMO. Turn well over to production ops.

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Logan High Pressure Casing Patches
Assembly Procedure

All parts should be thoroughly greased before being assembled.

1. Install all four Logan Type “L” Packers in the spaces provided in the Casing Patch Bowl. Refer to diagram provided for proper installation.

2. Install Packer Protector from the Basket Grapple end of the Bowl. The beveled end of the Packer Protector goes in first. Carefully push the Packer Protector through the four Type “L” Packers.

3. Align Shear Pin Holes in Packer Protector so that the holes have just passed into the counter bore at the Top Sub end, refer to diagram. The Packer Protector is provided with four Shear Pin Holes. Use only two holes, 180 degrees apart and install the pins.

4. Screw the Basket Grapple in from the lower end of the Bowl, using left-hand rotation. The Tang Slot in the Basket Grapple must land in line with the slot in the Bowl.

5. Insert the Basket Grapple Control into the end of the Bowl. Align Tang on the Basket Grapple Control with the Tang Slot of the Bowl and Basket Grapple. This secures the Bowl and the Basket Grapple together.

6. Install the Cutlipped Guide into the lower end of the Bowl.

7. Install O-Rings on the two five-foot long Extensions. Screw the first Extension into the top end of the Bowl. Screw the second Extension into the top end of the first Extension.

8. Install O-Ring on Top Sub. Screw Top Sub into top end of second Extension.

Follow recommended Make-Up Torque as provided in chart.

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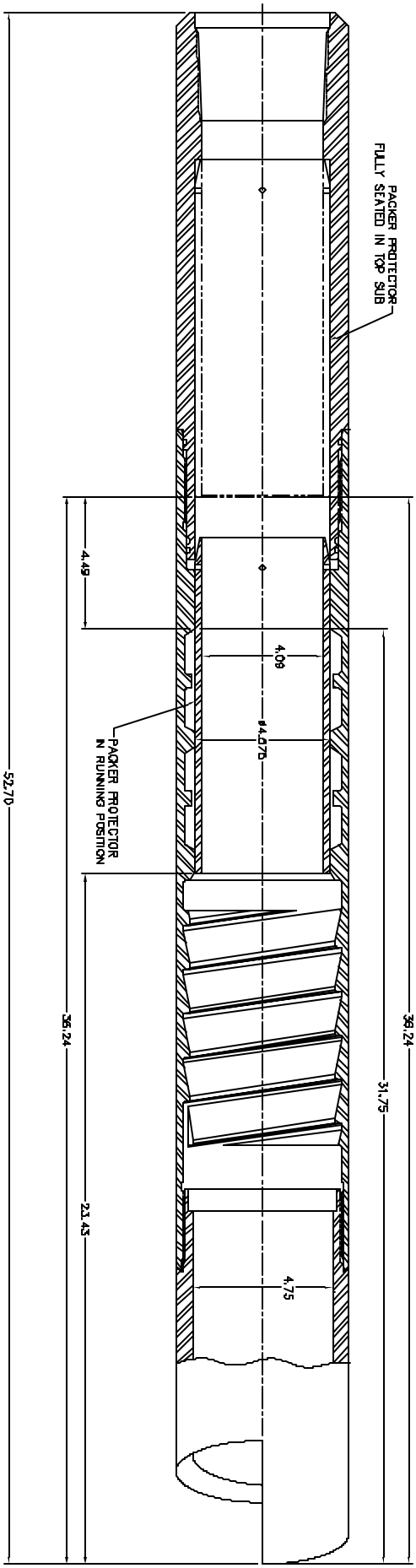

510L-005-001 4-1/2" LOGAN HP CASING PATCH

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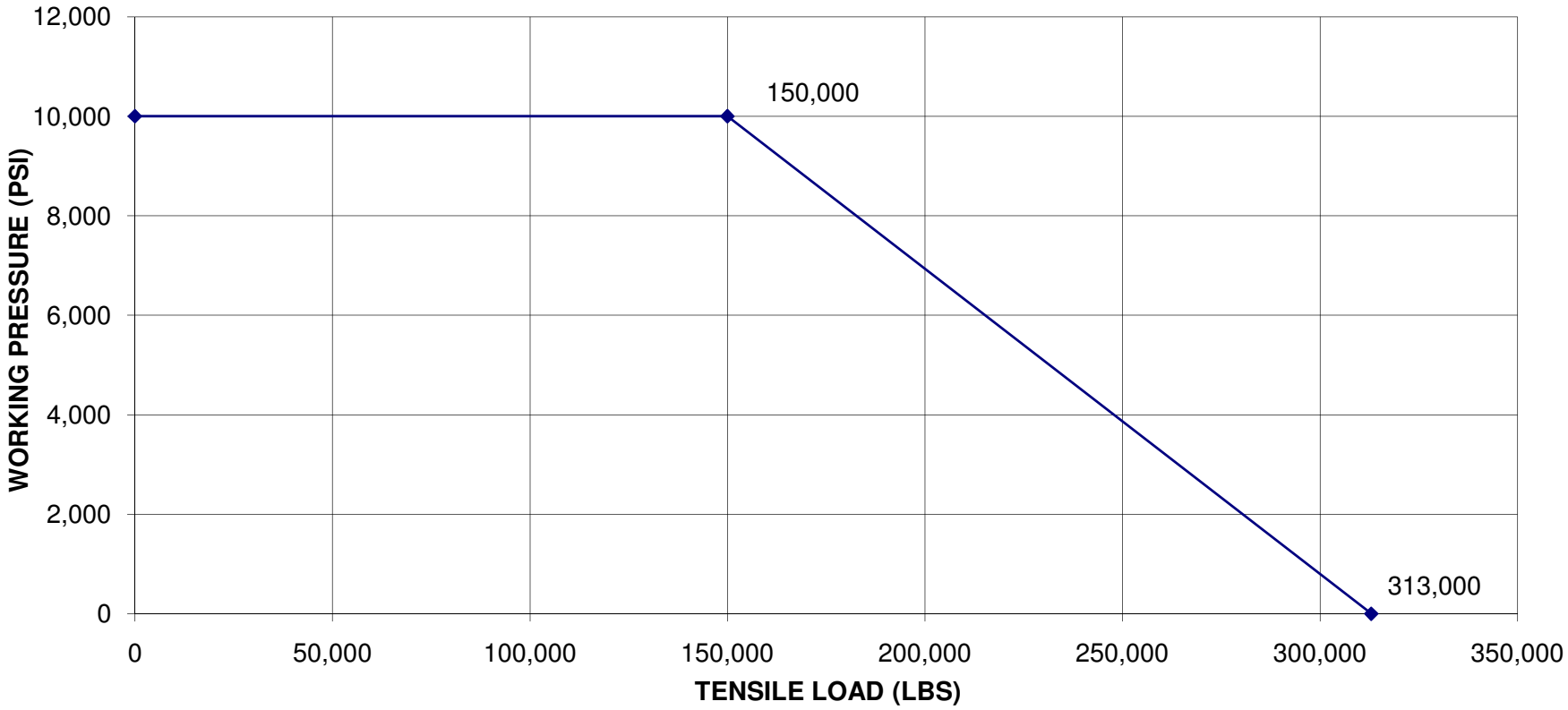
STRENGTH DATA FOR LOGAN 5.88" OD "L" TYPE CSG PATCH
4-1/2 CASING, 10K PSI MAX WP 125K YIELD MAT'L
LOGAN ASSEMBLY NO. 510L-005 -000



COLLAPSE PRESSURE:
11,222 PSI @ 0 TENSILE
8,634 PSI @ 220K TENSILE

Tensile Strength @ Yield:
Tensile Strength w/ 0 Int. Press.= 472,791lbs.
Tensile Strength w/ 10K Int. Press.= 313,748lbs.

DATA BY SLS 11/16/2009

RECEIVED Apr. 07, 2011

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
ML 22649

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 922-32F3T

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047503490000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6515 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2111 FNL 1824 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENW Section: 32 Township: 09.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 5/26/2011	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Wellhead Repair

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS CONCLUDED WELLHEAD/CASING REPAIRS ON THE SUBJECT WELL LOCATION. PLEASE SEE THE ATTACHED CHRONOLOGICAL HISTORY FOR DETAILS OF THE OPERATIONS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE		**DATE**
N/A		5/26/2011

RECEIVED May. 26, 2011

US ROCKIES REGION

Operation Summary Report

Well: NBU 922-32F3T [BLUE]	Spud Conductor: 6/17/2009	Spud Date: 6/21/2009
Project: UTAH-UINTAH	Site: NBU 922-32F PAD	Rig Name No: MILES-GRAY 1/1
Event: WELL WORK EXPENSE	Start Date: 5/5/2011	End Date: 5/20/2011
Active Datum: RKB @5,029.00ft (above Mean Sea Leve	UWI: 0/9/S/22/E/32/0/SWSENW/26/PM/N/2,111.00/W/0/1,824.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
5/18/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA/SAFTY MEETING
	7:15 - 8:30	1.25	WO/REP	30	A	P		MIRU, KILL WELL 40BBLS TUB, 60BBLS CSG ND/WH, NU/BOP
	8:30 - 11:00	2.50	WO/REP	31	I	P		TOOH 2 3/8" TUB, 269 JTS L-80 TBG, LAY DN 3 BAD JTS,
	11:00 - 15:00	4.00	WO/REP	34	I	P		R/U CUTTER WIRELINE, RIH W/ GAUGE RING TO 7000', RIH W/ BAKER 8K CBP, SET CBP @ 6930', DUMP BAIL 4 SACKS CEMENT ON TOP OF CBP, PRESSURE TEST CBP TO 500#, OK, SHUT WELL IN R/D WIRELINE, PREPARE TO REPAIR WELL HEAD IN AM, SDFN
5/19/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA/SAFTY MEETING
	7:15 - 10:00	2.75	WO/REP	34				PRESSURE ON WELL, R/U CUTTER WIRELINE, RIH W/BAKER 8K CBP SET @ 6835', R/D WIRELINE

US ROCKIES REGION

Operation Summary Report

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Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	10:00 - 13:00	3.00	WO/REP	30		P		NO PRESSURE ON WELL, N/D BOPS AND CSG BOWL, P/U INSIDE CUTTER AND POWER SWIVEL, RIH CUT 4 1/2" CSG OFF 1' BELOW HANGER, LAY DOWN CUTTER AND SWIVEL, P/O HANGER AND CSG STUB, TOP OF CEMENT 36' BELOW SURFACE, P/U OVERSHOT LATCH ONTO CSG, R/U WIRELINE RIH W/STRING SHOT, R/U CSG TONGS BACK OFF AT SUB, P/O LAY DOWN OVERSHOT AND CSG SUB, P/U NEW SUB WITH SKIRTED PIN, RIH SCREWED INTO CSG W/TORQUE TO 7000# NO EXTRA TURNS, R/D TONGS
	13:00 - 14:00	1.00	WO/REP	33	C	P		R/U B&C QUICK TEST, PRESSURE TEST CSG W/LOW TEST 1000# FOR 15 MINS OK, HIGH TEST 3500# FOR 30 MIN OK, R/D TESTER
	14:00 - 15:00	1.00	WO/REP	30		P		PUT SLIPS IN CSG BOWL, LAND 4 1/2" CSG W/80,000# TENSION, N/U CSG BOWL AND TUBING SPOOL, TEST BOWL OK, N/U BOPS AND TBG EQUIP.
	15:00 - 18:00	3.00	WO/REP	31	I	P		P/U 3 7/8" BIT AND POBS, TIH WITH 2 3/8" TBG, BROACH TBG IN HOLE, TAG CEMENT @6835, PREPARE TO DRILL OUT IN THE AM, SHUT WELL IN
5/20/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA/SAFTY MEETING
	7:15 - 16:00	8.75	WO/REP	44		P		TEST BOPS TO 3000# OK, ESTB CIRC W/N2/FOAM UNIT, DRILL OUT CBP'S AND CEMENT FROM 6835 TO 6930', CIRC CLEAN, RIN TAG @ 9082', DRILLED OUT TO 9209', P/O LAY DN 21 JOINTS ON TRAILER, RD PWR SWIVEL AND FOAM UNIT, LANDED TBG W/ TBG HANGER W/ 269 JOINTS OF L80 TBG, EOT 8555.02, ND BOPS AND TBG EQUIP, NU WH, PUMP BIT OFF @ 700#, SHUT WELL IN 700# ON CSG, SITP= ZERO#

KB	26.00
HANGER	.83
269 JTS 2 3/8" L80 TUBING	8525.99
XN- NIPPLE	2.20
EOT	8555.02